

The NATIONAL UNDERWRITER

HOME OFFICE FACILITIES IN OHIO



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Fire — Windstorm — Automobile — Inland Marine

KANSAS AND OHIO AGENTS CONVENTION

THURSDAY, OCTOBER 26, 1944

35% IS MISSING!



The Dangerous 35%

You couldn't skip 35% of the products of the production line in making rubber rafts...or anything else.

Yet some clients buy only partial fire insurance coverage. Here is a case where the adjuster's report said, "...they have sustained a loss greatly in excess of the insurance carried".

Sell adequate coverage... you'll serve your clients best... and yourself.



NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
MECHANICS AND TRADERS INSURANCE COMPANY
FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK
TRANSCONTINENTAL INSURANCE COMPANY
UNITED NATIONAL INDEMNITY COMPANY

HOME OR ADMINISTRATIVE OFFICES
HARTFORD, CONN.

WESTERN DEPARTMENT
175 WEST JACKSON BLVD.
CHICAGO 4, ILL.

PACIFIC DEPARTMENT
234 BUSH STREET
SAN FRANCISCO 20, CAL.



Claim Number 73,797 tells of inadequate coverage in a factory.

Cash Value of Property	\$66,756
Insurance in Force	40,000
Loss or Damage	61,756
Amount paid under Insurance	40,000
Net loss to insured	21,756

The insured had to bear 35% of this loss.

For only \$465.82 more, this factory could have been fully protected.

The National Fire Group

Rhode Island Agents Elect C. I. Fisher President

**New Dwelling and Contents Form Analyzed
by Arthur Clarke**

NEW OFFICERS

President—Carlton I. Fisher, Providence.
Vice-president—Lewis B. Plummer, Newport.
Secretary—William A. Lester, Providence.
Treasurer—E. Harrison Howard, Jr., Providence.
State National Director—Walter R. Johnson, Providence.

By R. E. RICHMAN

PROVIDENCE, R. I.—There is still disagreement among the companies on the interpretation of the new dwelling and contents form so that no final and conclusive answer can be given to all questions about it, Arthur H. Clarke, Boston, secretary Massachusetts association, reported at the annual meeting



C. I. Fisher



W. R. Johnson

here of the Rhode Island Association of Insurance Agents. "Would the terms 'pertaining to the service of the premises' cover fuel? What about sea walls, private tennis courts?" There are questions to which there is no uniform answer, he said. Usually one-twelfth of the 10% coverage is not sufficient rental value insurance (under item one) and this should be written separately. "Would an awning's loss be paid under item one or item two? Should that loss be divided between companies insuring the house and the household furniture? What is the definition of a 'family' and who are members of it as used in item two?" he asked.

Many times the 10% coverage for summer residences under item two is not sufficient, Mr. Clarke stated. When only one or two additions are to be placed under items three, four and five, it is all right to write through the total space for just one item, for example, and ignore the small spacing given to each single numbered item. In spite of the form wording, any garage takes the one story garage rate. Any real barn takes the barn rate but a barn used for garage purposes primarily takes the garage rate. Mr. Clarke advises making the amount under item one high enough to take care of any direct fire loss to all small out buildings.

According to Mr. Clarke, insuring of a garage or barn under item three would not forfeit the coverage on the same building under item one. In event of

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Seabury Chairman, Kennedy President

**Named M. & M. Top
Executives Following
D. R. McLennan's Death**

Charles Ward Seabury, formerly president, has been elected chairman of Marsh & McLennan, taking the place left vacant by the death of Donald R. McLennan. The new president is Laurence S. Kennedy, who has been vice-president, a director and member of the executive committee and in charge of the New York office.

Thus the top two executives of Marsh & McLennan are men whose entire business careers have been with the organization and, as to Mr. Seabury, with a predecessor. They possess the intimate knowledge of the organization and the executive talent to provide leadership at the McLennan level.

While the executive offices of Marsh & McLennan will continue to be located in Chicago, Mr. Kennedy will make New York his residence. He will make frequent visits to Chicago and Mr. Seabury intends to spend considerable time in New York so that the operations of the two units will be closely integrated. Marsh & McLennan operates 22 offices in this country and abroad.

Mr. Seabury's Career

Mr. Seabury was born Aug. 6, 1876, at Peoria, Ill., and later moved with his family to Oak Park, Ill., where he attended Oak Park High School. He attended the University of Michigan for two years and in 1939 the master of arts degree was bestowed upon him by his alma mater. He started in the insurance business in 1896 with the firm of R. A. Waller & Co. of Chicago. In January, 1905, Mr. McLennan effected a consolidation with Harry W. Marsh and Daniel Burrows (who were successors to the old original firm of R. A. Waller & Co., subsequently Marsh, Ullman & Co.) under the firm name of Burrows, Marsh & McLennan. Mr. Burrows subsequently retired and the title of the agency was changed to Marsh & McLennan, the partners being Mr. McLennan, Harry W. Marsh and Mr. Seabury.

Mr. Seabury was always particularly close to Mr. McLennan and worked

Commissioners Set Next Meeting for Chicago Nov. 10

The executive committee of the National Association of Insurance Commissioners will meet at the Edgewater Beach Hotel, Chicago, beginning Nov. 10. Chief topic will be proposed specifications for federal legislation, and the association's subcommittee on this topic will meet at the same time and place.

The meeting has been scheduled after election and before Congress reconvenes.

in close harmony with him. He was elected president of M.&M. in 1937 when Mr. McLennan assumed the chairmanship.

Kennedy Native of St. Paul

Mr. Kennedy was born at St. Paul, July 31, 1891, and attended St. Thomas college in that city. He started with Marsh & McLennan at Minneapolis in 1910, when Frank A. Mannen was head of that office. He at once demonstrated an adaptability to the insurance business and Mr. Mannen entrusted him with increasing responsibilities and soon appointed him chief clerk. When Mr. Mannen was placed in charge of the New York office in 1917 he took Mr. Kennedy with him. Mr. Kennedy then entered war service, graduating from Officers Training School in 1917 as a second lieutenant. He trained with the British in northern France, took part in the St. Mihiel drive and the Argonne offensive and his division led the march into Germany, Nov. 17. Upon his release in 1919 he returned to Marsh & McLennan and was elected a vice-president and placed in charge of the New York office in 1926 upon Mr. Mannen's death. Mr. Kennedy was made a director in 1935 and a member of the executive committee in 1937. A brother, Paul J. Kennedy, is U. S. manager of Halifax.

Mr. Kennedy started out as a fire insurance man but has made himself, as one of his associates expressed it "the best all-around insurance man I ever met."

He is an excellent executive and administrator as well as being a top-ranking business getter. He is responsible for putting on the M. & M. books many of its most important accounts.



These charred ruins were once substantial buildings, wrecked by explosion of liquefied illuminating gas stored by the East Ohio Gas Co., in Cleveland's east side. Note wreckage of tank, while two others and large tank in background miraculously escaped the blast.

Estimate Cleveland Insurance Loss at \$3 Million

**E. Ohio Gas Co., Where
Conflagration Started,
Not Insured**

NEW YORK—East Ohio Gas Co. has set up a special office in Cleveland to handle claims for property damage, personal injury or deaths. The company is following a policy of paying all just claims promptly where the amounts are within reason. Eighty-two houses were destroyed, none of them having a value when new of more than a few thousand dollars, so that the heaviest claims will probably be for injuries and deaths.

The company carried no liability insurance and no fire insurance except for what was described as an "infinitesimal" amount on a small part of the property destroyed. East Ohio Gas is owned by Consolidated Natural Gas Company, a holding company which bought it from Standard Oil of New Jersey when the tie-up between Standard and East Ohio was ruled out by the Securities & Exchange Commission.

CLEVELAND—Individual insurance company losses in Cleveland's big fire were unusually light according to latest reports. Approximately \$4 million of the total \$7 million loss was on East Ohio Gas Co., property which was not covered by insurance, according to report. The other \$3 million loss, largely covered by insurance, was so well spread that it is believed no single company sustained much more than \$100,000. This is phenomenal in view of the size of the fire.

Principal reason for the spread of losses was the number of individual claims. Aside from uninsured East Ohio Gas losses, the largest industrial loss was that of Whiteway Stamping Co., whose total, including use and occupancy, might run to over \$200,000. The only other substantial industrial losses were those of the American Gas Association, American Metal Treating Co., Nock Fire Brick Co., and George H. Porter Steel Treating Co., probably ranging from \$25,000 to \$100,000 or slightly more.

Most of the commercial buildings of the area were on St. Clair avenue on the fringe of devastation and only a few sustained extensive loss. Nearly 100 houses were totally destroyed and some 50 others partially destroyed. Average insurance covering these wood frame dwellings was about \$3,000 plus contents. Outside coverage in connection with fire policies will undoubtedly involve many losses of clothing, jewelry, watches and other personal belongings.

Several industrial, commercial, and residential buildings had exposure damage. Plate glass damage from fire was extensive with many of the stores and offices on St. Clair avenue affected. Between three and four hundred automobiles were reported damaged, with half of them thoroughly destroyed.

Ramifications of fire, personal accident, casualty, use and occupancy, and other coverages will undoubtedly result in some contingencies. Extended coverage, in view of plate glass damage, represents one. Use and occupancy insurance.

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Minneapolis Board Makes Answer in Anti-Trust Suit

MINNEAPOLIS—The Minneapolis Underwriters Association, is conforming to state and federal laws, is not boycotting anyone and it and its members are not dominated or influenced by insurance companies affiliated with the Western Underwriters Association.

This in brief is the answer of the Minneapolis association to the allegations made by J. T. Miller, Minneapolis local agent, in his boycott and conspiracy action against the Minneapolis board, W.U.A. and a dozen fire companies. The answer also questions the jurisdiction of the federal court to try the case. Walter H. Bennett, counsel for the National Association of Insurance Agents, and Mark Woolley, Minneapolis attorney, prepared the answer and filed it.

Business with Non-members

In refutation of Mr. Miller's charges of boycott by the local board, the answer cites several instances where its members were granted permission to place insurance in Republic of Dallas through Mr. Miller; declares that it has always been willing and now is to do business with Mr. Miller and actually invited him to join the Minneapolis association.

"The Minneapolis Underwriters association rules do not prevent members from doing business or placing insurance under proper and legal conditions and requirements with agents not members," the answer says. It denies acting in concert with and at the direction of the defendant insurance companies as alleged by Mr. Miller. Its members represent companies irrespective of whether they are members of the W.U.A. or any other company association, the answer sets forth.

Are Not Burdens

Such restrictions as the association, its members and companies operate under are not "burdens on interstate commerce or repugnant to state and federal statutes," the answer concludes.

The Minneapolis association officials are somewhat disturbed by the attitude of the companies in the litigation but they say that regardless of the stand of the companies they intend to go ahead and defend the action.

Mutual Program at Chicago Next Week

The annual meeting of the National Association of Mutual Insurance Companies will open next Tuesday morning at the Drake hotel, Chicago, with a joint session of all four groups, followed by the annual board meeting. The theme of the convention will be "Broader Horizons." A. V. Gruhn, general manager American Mutual Alliance, will talk on federal vs. state control. Routine reports will follow. Wednesday morning sectional groups will meet until noon, with a general meeting in the afternoon. R. C. Baker, secretary Mutual Fire Insurance Association of New England, Boston, will talk on "A Sound Public Relations Program for Mutual Insurance." J. L. Wilds, president Protection Mutual, will give a safety talk illustrated with a movie made by the Factory Mutuals. There will be a dinner Wednesday night.

Thursday morning will be a general session. S. B. Black, president Liberty Mutual, will talk on multiple line insurance. H. L. White, assistant to the Secretary of the Treasury at Washington, will talk on international economics. The meeting will close with reports of committees and election of officers.

John King Heads Insurance Institute

NEW YORK—John J. King, president Hooper-Holmes Bureau, was elected president of the Insurance Institute of America at the annual luncheon meeting here this week. Vice-presidents are J. A. Bogardus, Atlantic Mutual, and John A. Diemand, North America; Secretary



JOHN J. KING

E. R. Hardy was reelected. Governors appointed for term ending in 1947 are E. W. Elwell, Royal Exchange; O. C. Gleiser, Commercial Union; John H. Grady, General Accident; E. A. Henne, America Fore, Chicago; H. P. Jackson, Banker's Indemnity; E. H. Kingsbury, Fidelity & Casualty; Prentiss Reed, independent adjuster. Mr. Hardy reported the enormous loss of manpower in the insurance business is reflected in the membership of the society and cited as an example one society which formerly had 1,600 members a year ago and now has 225. He said an important development in educational work is the movement for instruction during office hours. Originally intended for returning servicemen it was agreed to extend it to all employees who wished to study. Mr. Hardy announced the preparation of a form of refresher course to be offered to returning servicemen. The institute is securing lecturers now and it is expected the course will get under way this fall. It is designed for men previously in the insurance business as a means of catching up with war time changes and trends.

Enrollments in correspondence courses has fallen off, Mr. Hardy said but it is difficult to get a true picture of the figures because the method of tabulation was changed this year. He pointed out



These Cleveland homes were flaming embers when this picture was taken after two gas tanks at the nearby East Ohio Gas Co. exploded and set the neighborhood afire. —Acme Newspicture.

Chicago Luncheon for C.P.C.U.'s Nov. 3; Johnson to Speak

Five insurance organizations in Chicago are cooperating with the Society of Chartered Property & Casualty Underwriters in a luncheon at the LaSalle hotel Nov. 3 to honor the new C. P. C. U.'s from the Chicago area. They are Chicago Insurance Agents Association, Insurance Brokers Association of Illinois, Chicago Board, American Mutual Alliance and the western department of the Association of Casualty & Surety Executives.

Commissioner Johnson of Minnesota, president National Association of Insurance Commissioners, will be the featured speaker. Tickets may be obtained from any of the interested organizations. R. M. Babbitt, Joyce & Co., is president of the C. P. C. U. group.

Mutuals Plan Texas Clinics

The Texas 1752 Club at a meeting in Dallas, formed a committee on public relations to cooperate with the Texas Association of Insurance Agents for future educational clinics in the fire and casualty field. The committee includes: E. P. Goetzinger of Indiana Lumbermen's Mutual, chairman; R. S. Dial, Farmers Alliance of Kansas, and L. E. Dopp, Northwestern Mutual Fire. Plans are being made to conduct a series of educational clinic meetings with the agents throughout the state.

the difficulty of holding examinations for students overseas. No papers have been lost as yet, he said, and the institute is willing to allow all necessary leeway as to time of filing papers.

The principal change in membership of the institute is an increase in the number of corporate members which Mr. Hardy attributed to a campaign inaugurated by retiring President Grady last spring which resulted in 13 new members. The secretary predicted a gradual increase in membership and stated that a recommendation will be made to the board of governors that an educator be added to the staff whose primary duty will be to visit the different insurance centers in development work.

Prizes of a \$25 war bond for the highest average marks in the examinations of last January, May and September were awarded to: General principles, Grace S. Cody, Farm Bureau Mutual; casualty, Edward H. Lohss, superintendent claim department, Employers Liability; fire; John H. McNichols, Aldis & Co., Chicago; life, Mark J. Silo, Metropolitan Life; inland marine, Secretary Chas. H. Conklin, Northern of New York; ocean marine, Richard H. Jordan, Atlantic Mutual, and surety, W. A. Sherman, U. S. F. & G., Chicago; Tsong Y. Lieu, Universal Trading Corp., New York.

Warren Chicago Agents' President

L. P. Warren of Associated Agencies was elected chairman of the Chicago Insurance Agents Association at the annual luncheon meeting Tuesday. He succeeds Bradford Gill of Moore, Case, Lyman & Hubbard. Emil L. Lederer, Stewart, Keator, Kessberger & Lederer, is vice-



L. P. WARREN

chairman; Lyman M. Drake, Jr., Critchell, Miller, secretary, and W. C. Butler, Rockwood Company, treasurer.

Directors elected are Wade Fetzer, Jr., W. A. Alexander & Co.; R. E. Stitt, Starkweather & Shepley; Richard T. Magner, Meeker-Magner; P. R. Hosmer, Jr., R. W. Hosmer & Co.; B. N. Anderson, Jr., B. N. Anderson & Co.; Eugene F. Engelhard, Engelhard & Co.; W. H. Stevens, Fred S. James & Co., and L. W. Zonsius, Conkling, Price & Webb.

W. J. Laadt of Cramsie, Laadt & Co. was chairman of the nominating committee.

Company Men Talk with Agents About Turkey Insurance

Officials of the Farm Underwriters Association met with the officials and members of the executive committee of the Minnesota Association of Insurance Agents during the National association convention in Milwaukee to talk over the problem of insuring range turkeys. H. W. Williams of Mankato, Minnesota association president, his associate officers and members of the executive committee attended the conference. There are some problems to be worked out in connection with turkey coverage. Local agents having a considerable amount of this business are anxious to provide proper protection to turkey owners who have large sums invested in that industry in Minnesota. Unfortunately there can be little done this year, inasmuch as November and the early part of December usually breed the disastrous snow and sleet storms which cause large damage.

CONFER IN MINNEAPOLIS

MINNEAPOLIS—A group of Minnesota local agents interested in providing a broader turkey insurance market planned to meet this week to consider the situation. Although some of the companies have indicated a willingness to provide such a market, they have not come through with the forms and there seems to be some uncertainty as to what they propose to do other than raise present rates.

G. E. Phelan Heads Mutual Agents

Hail Facilities, Automobile and Aviation Financing Are Viewed

NEW YORK—George E. Phelan, New York City, was elected president of the National Association of Mutual Insurance Agents, succeeding F. H. Craft, Greensboro, N. C., at its annual convention here. W. Emmert Swigart, Huntingdon, Pa., was named vice-president succeeding Mr. Phelan and the following were reelected: W. Harold Howatt, Springfield, Mass., J. C. McGee, Jackson, Miss., J. E. Magnus, Chicago, Russell Davis, Columbus, O., vice-presidents; G. D. Ratliff, Jackson, Miss., secretary; J. H. Kroll, Washington, treasurer; P. L. Baldwin, Washington, is executive secretary. Mr. Craft automatically becomes a director.

Interest at the convention appeared to center chiefly on insurance surveys and the question of getting banks into the instalment financing field. The association recently completed several years' work on a comprehensive survey form and this was introduced to members for the first time at the meeting. In addition to a forum discussion, several speakers discussed the subject from various angles. Mutual agents have had difficulty in getting sufficient capacity to write hail insurance on growing crops and this problem was considered at a special meeting between agents and company representatives.

Appoint Bank Finance Group

A resolution was adopted requesting the appointment of a committee to work with the American Bankers Association and any other organization interested in the problem of writing insurance on financed automobiles. Another resolution urged mutual casualty companies to provide facilities for writing aviation risks.

Mr. Phelan has been in the insurance business for 30 years, his office being at 75 Maiden Lane, New York City. He has been a director and vice-president of the National Association of Mutual Insurance Agents for four years and acted as chairman of the convention committee for two years. He served as a lieutenant in the army in the last war.

Wage Factor Meeting Is Under Way in New York

NEW YORK—The special committee on workmen's compensation insurance of the National Association of Insurance Commissioners is meeting here with the National Council on Compensation Insurance to work out a method of including a wage factor in rate making. At the commissioners annual meeting last June the council was asked to develop a basis for including a wage factor and this has been done, although no specific factor has been put forward.

Need for a wage factor arises from the fact that when hourly, daily or weekly wage rates are on the increase the resulting premium is redundant, for benefits do not increase correspondingly. Similarly, when the wage rate trend is downward premiums are lower than they should be. The subcommittee, which is headed by J. P. Gibbs of Texas, will make its report to the executive committee.

A.I.U. Is Named Foreign Manager by 5 Insurers

Camden, East & West, Granite State, New Hampshire and Security of New Haven have named American International Underwriters as their foreign manager. A.I.U. now has 11 fire companies and one casualty insurer.

Chicago Examiners Hear Premium Finance Official

Practically everything that is insured is sold on a finance basis, Henry Olson, vice-president of First Banccredit Corporation, Chicago, said in a talk before the Association of Fire Insurance Examiners of Chicago at a meeting there. Consequently people respond readily to a proposal to finance their insurance premiums, he said. Since they do purchase homes, building improvements, automobiles, refrigerators, and fur coats on the time payment plan, it is odd that the insurance business should insist that they pay cash for that protection, Mr. Olson said.

By application of time payments the agent can sell more insurance, give the assured better coverage, and earn more commissions. The outstanding balances of agents are reduced. He said that in many cases it makes more appeal if the saving in premium achieved by financing is divided evenly over the installments, beginning with the first.

He suggested that the fire insurance examiners in addition to underwriting generally are expected to develop some business. If they could sell all five year premiums they would save a lot of work and have more time for developing business, he said.

Robert F. Sommer, chairman of the Chicago insurance education committee of the American Institute of Liability & Property Underwriters, manager of the Adams-Clark agency, discussed the C.P.C.U. course. This educational project establishes a standard in the business, something it has never had before, he said. He urged participation by the fire examiners.

Theodore Reis of R. H. Erickson & Co., president of the examiners, announced the following committee chairmen: Finance, Adolph Sutter, America Fore; membership, William Heine, Eagle Star; auditing, Lawrence Fazel, Standard of New York; publicity, Ed Wall, Crum & Forster, and golf, R. H. Erickson.

Bertiaux Resigns Hanover Post

Fred C. Bertiaux, secretary of the western department of Hanover Fire and Fulton Fire, has resigned as of Jan. 1.

Mr. Bertiaux has served in a number of capacities with these companies since 1923. He started as Illinois state agent, later became executive state agent of the western department, then secretary at the home office. He returned to the western department last January as secretary at his own request.

Mr. Bertiaux's future plans will be announced later.

Why No Picture of

D. R. McLennan Was Run

A number of inquiries have reached THE NATIONAL UNDERWRITER as to why a picture of the late D. R. McLennan, head of Marsh & McLennan of Chicago, was not used in connection with the personality sketch that was published in last week's edition. As a matter of fact, no one can recall ever having seen Mr. McLennan's picture in any paper. It was an evidence of his many-sided nature. He was a very modest man, perhaps unduly so. He had not had his picture taken so far as could be ascertained since he was 24 years of age. He did not seek the limelight or personal publicity through this medium.

John F. Wohlgemuth, President of National Underwriter Company, Dies

John F. Wohlgemuth, president of The National Underwriter Company, died at Good Samaritan hospital, Cincinnati, last Thursday morning at the age of 65.

Mr. Wohlgemuth suffered an attack Aug. 28, which was his 65th birthday and made what appeared to be a strong recovery. He was in the hospital six weeks and then 10 days before his death he went to the Sinton hotel with Mrs. Wohlgemuth, they having sold their home shortly after Mr. Wohlgemuth was stricken. Mr. Wohlgemuth was again taken severely ill Tuesday, Oct. 17, was removed to the hospital Wednesday morning and died the next morning.

Funeral services were conducted Saturday morning at the chapel of Spring Grove Cemetery, Cincinnati, Dr. J. Hollister Lynch, former rector of Calvary Church, officiating. Interment will take place with services at some future date, to be selected by Mrs. Wohlgemuth, at Hinsdale, Ill., where the Wohlgemuths resided for many years. Mrs. Wohlgemuth will continue to reside at the Sinton for some time.

Mr. Wohlgemuth became head of The National Underwriter organization in January, 1939, taking the place left vacant by the death of his older brother, E. Jay Wohlgemuth, who was the founder of the company.

John Wohlgemuth joined The National Underwriter in 1900 as a reporter at Cincinnati and compiler of statistical publications. In 1904, he left business and studied law at Cincinnati Law School, graduating in 1907. Then for a year he was employed by Travelers as liability claims investigator at Cincinnati.

Takes Chicago Post in 1909

In 1909 he returned to THE NATIONAL UNDERWRITER as associate editor in charge of the news desk at Chicago. In 1911 he was married to Dr. Janet Malcolm, who was connected with the Journal of the American Medical Association in an editorial capacity.

Mr. Wohlgemuth in 1917 was elected secretary and placed in charge of the sales activities and later devoted his attention to secretarial duties. In 1926 he assumed as well the editorship of the "Casualty Insurer," a National Underwriter monthly publication.

Outside the ranks of the National Underwriter Company Mr. Wohlgemuth was known principally as the editor of the "Casualty Insurer." In that field he commanded much attention. A law school graduate, he was able to apply his knowledge of legal principles to the treatment of casualty insurance subjects. He had an incisive style of writing and he endeavored to apprehend future developments and to point the way to sales opportunities in the casualty field and to procedures that he regarded as sound. He delved deeply into many aspects of the business and became an authority. He formed strong convictions and wrote interestingly and persuasively.

After becoming president, Mr. Wohlgemuth found it impossible to continue to be responsible for editing the "Casualty Insurer" but until the last he gave particular attention to this publication and contributed editorially to it. Particularly did he continue to produce the court of appeals material, extracting useful sales suggestions from current opinions and translating legal terminology into terms easily grasped by the insurance reader. He had a talent for seeing the point and expressing it concisely and yet accurately.

Mr. Wohlgemuth was well posted on tax matters and looked after that end of the work. He also supervised the financial affairs. Except for his work with the "Casualty Insurer" his interest and duties were mainly of an internal nature and he did not have a large personal

acquaintance among insurance men. However, he did form a number of close friendships with those whom he consulted frequently in developing edi-



JOHN F. WOHLGEMUTH

torial material for the "Casualty Insurer."

Mr. Wohlgemuth was born Aug. 28, 1879, on a farm near Imlay City, Mich. His first business experience was with Gauley's Insurance Agency of Detroit, being connected there from 1897 until 1900.

In addition to Mrs. Wohlgemuth, the survivors include a brother, Albert J. Wohlgemuth, president of the Rough Notes Company of Indianapolis, and a nephew, George E. Wohlgemuth, associate editor of THE NATIONAL UNDERWRITER at New York.

Agents' Steering Group to Meet

NEW YORK—The executive committee of the National Association of Insurance Agents will meet at the Ben Franklin hotel, Philadelphia, Nov. 12-15. Its members will attend the conference of fire, marine and casualty underwriters scheduled to meet at the same hotel Nov. 13-14 at the invitation of General Manager J. Dewey Dorsett, Association of Casualty & Surety Executives, to work out some uniform plan of procedure to attack the problems presented by the S.E.U.A. decision.

McGrath Heads Travelers N. Y. Special Risk Division

George P. McGrath, assistant casualty manager of the Travelers, 55 John street office in New York City, has been advanced to manager of the special risks division, casualty lines, effective Nov. 1. He is one of the most widely known casualty men in New York. A graduate of Tufts College, he was a teller of the City Bank & Trust Co. of Hartford before going to Travelers. He has traveled widely in the United States and Canada and has wide experience in the insurance business, first in the claim department and later in the underwriting department and as a field assistant and assistant manager.

Linke Addresses Accountants

Gordon Linke, manager of the marine department of American, Rockford, Ill., spoke before the Cedar Rapids (Ia.) chapter of the National Association of Cost Accountants on "Insurance as a Factor in Cost Accounting."

Linke American's Western Agency Superintendent

American has appointed E. Gordon Linke superintendent of agencies for the western department.

Mr. Linke is a native of Hartford where he had his early schooling. Upon graduation from Dartmouth in 1926 he entered the fire underwriting department of Travelers Fire in Hartford. About 16 years ago he was transferred to its Chicago office as special agent. In 1932 he entered the marine department as underwriter, and later became assistant superintendent of that department. He joined American in 1937 and went to Rockford as manager of the marine department. He has handled that work up to this time.

Kenneth C. Nelson, Mr. Linke's as-

sistant for a number of years, becomes supervisor of the marine department. He entered the western department of American in 1935. For 2½ years he was in the fire underwriting department, and was transferred to the marine department when it was organized in 1937.

Marine Men Hear Rear Admiral

Rear Admr. Stanley V. Parker, captain of the Port of New York, addressed the annual luncheon meeting of the American Institute of Marine Underwriters. He reported on the subject of port security and the particular problems in the Port of New York.

Henry C. Thorn, North America, president of the Institute, presided. Elected as directors for three year terms were: Henry B. DeGray, Appleton & Cox; J. S. Gilbertson, Hartford Fire; F. B. McBride, Fireman's Fund; J. W. Morrow, Home, and Mr. Thorn.

A number of navy and coast guard officers were special guests.

AS SEEN FROM CHICAGO

FOREST PARK FIRE

Fire destroyed the contents and about half the building at 7737 Van Buren Street, Forest Park, Ill., with an insured loss estimated at \$43,000. The structure was a warehouse, and contained materials of the Roeser Co., packing box manufacturer, and T. J. Dodge Wholesale Co., roofing and hardboard firm. Three freight cars were also burned.

There was \$36,000 insurance on the building, written in the stock companies, and \$25,000 on contents, insured by the mutuals. The federal works agency in May, 1943, turned down a request for a grant to complete a booster main project which had been abandoned by the WPA, village authorities said, and there was not enough water pressure in the village mains to supply the fire fighting equipment.

POSTHUMOUS DECORATION

What might be called a posthumous decoration was bestowed on the late D. R. McLennan, chairman of Marsh & McLennan, this week by Great American, a company his agency in Duluth and later the one in Chicago had represented for 50 years. The company had arranged for a luncheon this week in New York City at which Mr. McLennan would be present. One of the interesting features was the fact that the directors of Great American would be present. In fact, the arrangements were made at a directors' meeting. Some of the men on the board of Great American served with Mr. McLennan in similar capacities in the companies of which he was a director.

Great American sent to Vice-president S. M. Buck of the western department a silver water pitcher appropriately inscribed which was to have been presented to Mr. McLennan at the luncheon. However, Mr. Buck gave it to Ward Seabury, chairman of Marsh & McLennan, to be properly applied as commemorative of the service that Mr. McLennan had rendered.

PLAN DEC. 2 HEADQUARTERS

The Illinois insurance department Dec. 2, again will be hosts at a headquarters suite in the LaSalle Hotel, Chicago, for those that are in the city that morning en route to the midwinter meeting of the National Association of Insurance Commissioners in New York. Space permitting, it is expected that most of the convention group will travel from Chicago to New York on the Advance Commodore of the New York Central leaving Chicago at 1:30 p. m., Dec. 2. The Chicago headquarters at the LaSalle in the past have been appreciated by those arriving in the city in the morning with several hours before departure for New York.

SEAVENS BROTHERS PRESIDENT

George A. Seaverns, Jr., office broker associated with Marsh & McLennan in Chicago, was elected president of the Insurance Brokers Association of Illinois by the directors at a meeting Tuesday. He has been treasurer for many years. Mr. Seaverns is a veteran of the organization who has been very active in its affairs. He succeeds R. H. Johnson, who has been inactive for a month or more. Mr. Johnson lost a son in combat in the European theater. J. B. Parker of Mack & Parker, independent brokers, has been acting president and now becomes first vice-president. George M. Proctor was named vice-president; Carl E. Thorsen, office broker with the Critchell-Miller Agency, secretary, and J. H. Forsyth Tramel, office broker with Aetna Casualty, treasurer.

Mrs. Jennie C. Naghten, widow of James I. Naghten who three times was president of the Chicago Board and for many years headed the class 1 agency of John Naghten & Co., in Chicago,

died Monday at Kirkwood, Mo., where she was visiting a daughter, Mrs. Nancy Graham. Mrs. Naghten was active in charitable and Catholic church activities. Her son, John A., formerly master in chancery of the Circuit Court, now is president of the Naghten Agency and vice-president of the Chicago Board.

The Round Table of the Union League Club, Chicago, has set the date for its annual joust, Dec. 16.

Miss Eleanor H. Wood has been appointed acting manager at Chicago for the Stock Company Association succeeding the late A. P. Morey. Miss Wood was Mr. Morey's assistant.

IN U. S. WAR SERVICE

Morton D. Joyce, vice-president of William B. Joyce & Co., New York, insurance brokerage firm, and son of William B. Joyce, has been commissioned a major in the eighth air force in England.

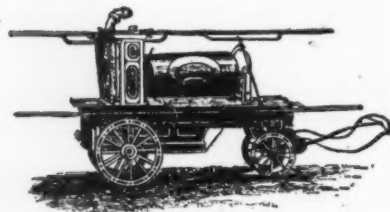
Maj. Geo. H. Pratt of Portland, Ore., has received the bronze star for heroic and meritorious achievement. He was former Oregon manager of Employers Liability.

Robert L. Starling, technical sergeant in the army, son of Howard M. Starling, Washington representative of the Association of Casualty Surety Executives, has returned from 28 months' service in the south Pacific and is now training at an officers' candidate school, Fort Benjamin Harrison, Indianapolis. He was in one of the first U. S. AEF's to Australia, in January, 1942.

Lt. Oliver McCollom, formerly an underwriter in the bonding department of Maryland Casualty in Los Angeles, is reported as missing in action somewhere in Italy.

Courtenay W. Harris, fire rate clerk of the Virginia department, is being congratulated on becoming a grandfather.

Henry T. Finley addressed the Nashville Association of Insurance Women on "Claims, from the Standpoint of the Company, Insured and Claimant."



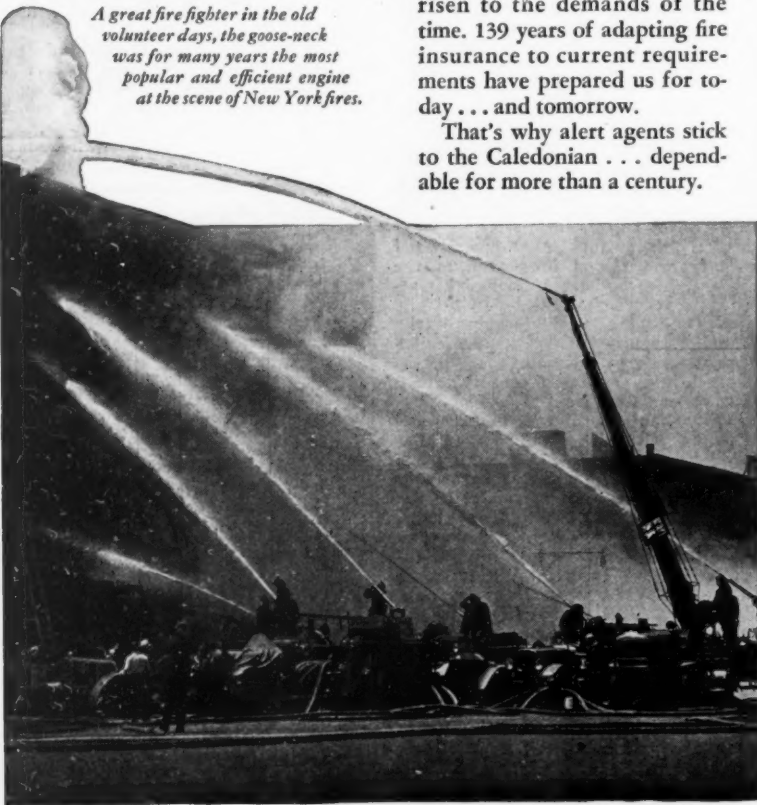
GOOSE-NECK
OR "OLD NEW YORK STYLE"

A great fire fighter in the old volunteer days, the goose-neck was for many years the most popular and efficient engine at the scene of New York fires.

EFFECTIVE PROTECTION

THE old goose-neck would be at a sad loss today. Imagine her confronted by the modern skyscraper! Fire protection has risen to the demands of the time. 139 years of adapting fire insurance to current requirements have prepared us for today . . . and tomorrow.

That's why alert agents stick to the Caledonian . . . dependable for more than a century.



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FACTUAL APPRAISALS

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Insurance Personnel Exclusively

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A grand way to get a good start the next day!

Excellent food Quiet comfort

Hotel Kennox St. Louis

Air-conditioned Noiseproofed



"Hey, Fellows it's a boy!"

Days and weeks of silence from the pretty little wife that he'd left behind just when he'd most wanted to be with her. Then this brief but joyous message—"Son born—Mother doing fine." You can bet that *he* appreciates the American Red Cross. For it was the Red Cross that got the message through that substituted happiness for anxiety. The Red Cross was right there at home, too—Nurse's and Dietitians' Aides in the hospital;



later home nursing service to see that every little care was provided. Yes, the American Red Cross is doing *what it can* to do everything *he'd* want to do for her—as well as everything *she'd* want to do for him. And this story might be repeated countless times all over the country and all over the world. So let's give a hand—a helping hand if possible—to this fine organization which knows no other reward than satisfaction in having been of service.

This is the eighth of a series of advertisements dedicated to the American Red Cross by

THE HOME INSURANCE COMPANY, NEW YORK

FIRE • AUTOMOBILE • MARINE

B. N. Carvalho to Handle Metropolitan Re Independently

HARTFORD—Roger W. Babson now has definite control of Northeastern, it was disclosed, with the revelation by one of his associates that Mr. Babson now owns or directly represents approximately 125,000 shares of the total 300,000 shares of stock.

The statement came from Leonard Spangenberg, a director of Northeastern, head of the Babson Statistical Organization at Wellesley Hills, Mass., and a representative of Mr. Babson in several of the latter's interests.

Questioned in regard to the future plans for Northeastern, which were cited last week by Oliver Ellsworth, chairman of the executive committee, as the reason for the resignation of President Bertram N. Carvalho and George E. Jones, first vice-president, and secretary, Mr. Spangenberg said Mr. Babson intends to "get some young, aggressive man to head the company, which is in need of a blood transfusion." Successors to the two men are being considered, he said.

Mr. Spangenberg was asked about

the possibility of a merger of Northeastern with American Reserve of New York, the reinsurance company, in which Mr. Babson also has a substantial stock interest. He replied there have been no written negotiations, but that he could not predict what might happen. He said no arrangement had been made by which American Reserve would take over the management of Northeastern.

Mr. Babson's personal holdings in Northeastern stock are said to be about 70,000 shares, as compared with approximately 10,000 at the time of the annual meeting last March at which the proxy battle took place.

Mr. Carvalho said following his resignation that he would now devote himself entirely to the operations of Metropolitan Fire Reassurance, which has been operated from the Northeastern office here. He intends to move the company's books and its office equipment to a downtown office in Hartford as soon as one can be secured.

His place on the board of directors has been filled by the election of William J. Langer, who was also elected executive vice-president at last week's meeting.

Sam E. Slupe, Aetna Fire special agent, has moved his offices from 862 Lockburn road to 804 Fairburn avenue in Columbus, O.

Me. Self Insurance Proposal Blasted at Hearing

AUGUSTA, ME.—Self insurance for the state of Maine was termed here Tuesday economically unsound and an interference with a legitimate private business.

Four spoke against the proposal at a public hearing conducted by the legislative research committee which studies governmental functions and makes recommendations to the legislature. None spoke for it.

Paul J. Jullien, Waterville insurance man and unsuccessful Democratic candidate for governor in the last state election, said: "If the state wants to go into the insurance business, that's state socialism."

State Auditor Speaks

State Auditor William D. Hayes, speaking neither for nor against the proposal, said the state is currently paying slightly over \$100,000 for insurance and added that "as of June 1, 1931, virtually all the fire insurance on state property and in addition that of the University of Maine, port of Portland Authority and the Maine Maritime Academy, was concentrated in one insurance schedule which, as of June 1, 1944, totaled \$22,822,313 and required a payment in the current year of \$75,963.

He said other insurance carried by various state departments cost \$28,572 in the current year.

Hayes made a fact finding survey of state insurance coverage for the committee and the hearing was termed by Committee Chairman Lauren M. Sanborn of Portland an "inquiry."

Austin V. McKowen of Augusta, Maine representative of the National Board of Fire Underwriters, said that "no-insurance or self-insurance is an out-and-out gamble with the taxpayers' money."

Less Than 2% Self Insured

"Probably less than 2% of the property in the United States owned by private corporations is insured by means of self insurance funds. Thousands of private corporations including railways, chain stores and other concerns whose property is territorially widely scattered so that one fire may not wipe it out, choose private insurance corporations to carry the risks of fire," he said.

Terming the history of state funds miserable Mr. McKowen said there was

little choice between no-insurance and self-insurance.

He said there was no guarantee a fund would operate as planned or be sufficient to cover losses. "It does not offer the taxpayer a single thing he can tie to or have faith in."

He recommended a survey of state owned properties to determine if present coverage is proper and adequate and to determine the advisability of installing sprinkler systems and making other changes to reduce possibility of fire.

"Such a program if properly carried out would prevent and reduce losses and would provide the state with adequate fire insurance coverage at greatly reduced costs," Mr. McKowen declared.

Represents Loss to State

The record for the entire schedule, according to Hayes' figures, still remains 57 cents returned to the state in the payment of losses for each \$1 in premium paid by the state for the 13 year period ending June 1, Mr. McKowen said, adding the state would not have saved 43%. To the losses sustained must be added the loss of premium tax to the state and cost of administration of the state fund.

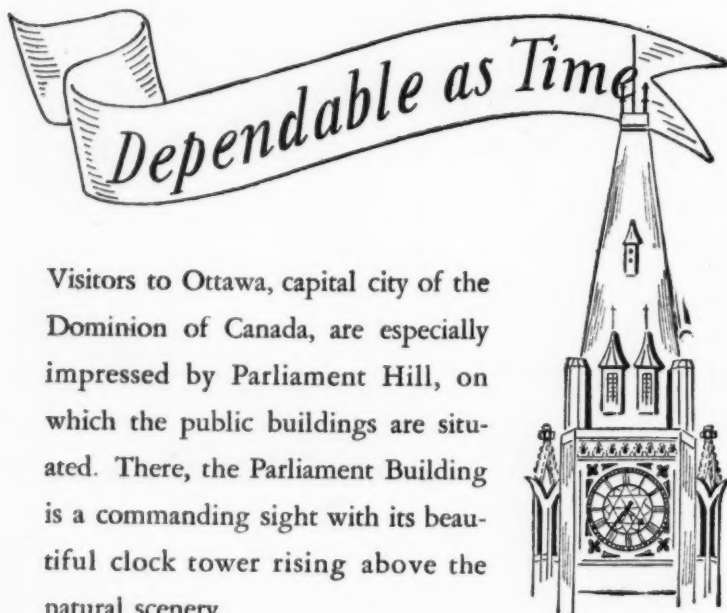
Others speaking against the proposal were M. S. Bradish, Portland; State Representative Dana Bowker, Portland, and former Executive Councillor G. Cony Weston.

Article on Laboratories in Coronet

"Coronet" magazine in the November issue carries a feature article on the work and service of Underwriters Laboratories. It relates a number of experiences, including the investigation of a series of mysterious theatre fires, which broke out over the country. When the companies called in the laboratories and they investigated they found that the fires were due to the butter shortage. Trash swept up after the show contained a considerable amount of popcorn which, customarily seasoned with butter, was now seasoned with a substitute oil which caused the popcorn to ignite spontaneously. The article explains the laboratories' work with explosives, appliances, and, at present, materials for war.

The late Wendell L. Willkie was a director of Federal and Vigilant of the Chubb & Son group. He was elected to the directorate shortly after making his unsuccessful race for the presidency in 1940.

If you sell disability insurance, don't be without **The A. & H. Bulletin**. Write The A. & H. Bulletin, 420 E. 4th St., Cincinnati 2, Ohio.




Visitors to Ottawa, capital city of the Dominion of Canada, are especially impressed by Parliament Hill, on which the public buildings are situated. There, the Parliament Building is a commanding sight with its beautiful clock tower rising above the natural scenery.

The PHOENIX-LONDON GROUP has also impressed its many hundreds of policyholders with service—Dependable as Time—year after year. One reason why more and more agents are investigating this substantial Organization that is highly qualified to furnish complete protection with broad, diversified coverages in the casualty, fire and marine fields.

Phoenix-London

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IMPERIAL ASSURANCE COMPANY
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UNITED FIREMEN'S INSURANCE CO.
THE UNION MARINE & GENERAL INSURANCE CO., Ltd.
LONDON GUARANTEE & ACCIDENT CO., Ltd.
PHOENIX INDEMNITY COMPANY



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TRANSPORTATION INSURANCE—All Risks

The CHARTER OAK FIRE INSURANCE COMPANY

Hartford, Connecticut.

ONE OF THE TRAVELERS COMPANIES

Maine Agents Hold Convention

**Elect E. Shepley Paul
President; W. Ray
Thomas Speaks**

POLAND SPRING, ME.—At the annual convention of the Maine Association of Insurance Agents here, following a meeting of the executive committee, an informal talk by W. Ray Thomas of Pittsburgh, president of the National association, and reports of officers, the association elected as president, E. Shepley Paul of Auburn, who has been secretary-treasurer. Vice-presidents are Howard Kyes of Wilton, John Glidden of Damariscotta, and Elmer Davis of Rockland; state national director, John Whitcomb, Bar Harbor; and secretary-treasurer, A. B. Stevenson, Jr., Camden.

The executive committee for three years consists of Thomas C. White, Lewiston; Claude Ryder, Bangor; Paul Jullien, Waterville, and Asa Lowe, Sanford, to serve the unexpired term of Mr. Stevenson.

Company Men Participate

Field men and company representatives were invited into the meeting at the conclusion of the business session, and John Whitcomb, national state director reported very briefly on the national convention at Milwaukee.

Mr. Thomas, making his first appearance at a state association meeting since his election, discussed "Doing Business with Friends." He brought out that friendly relationships have made possible the attainments of the National association. He said that the agent's relation with the public is being placed on a broader and firmer basis and that much progress had been made in improving the relations between agents and companies.

Guy R. Whitten, acting insurance commissioner, discussed some of the problems of his department and explained his ideas concerning agents' qualification requirements under the laws of Maine.

Banker Discusses Financed Autos

Herbert N. Borggren, trust officer, First National Bank of Malden, Mass., talked on "Bank Finance and the Agent." He stated that his bank had been very successful in the financing of the purchasing of automobiles prior to the war. He explained how the bank operates in connection with one of the large Boston insurance offices and said it had been very successful in securing insurance on the cars for the local agent.

There was a question and answer session on the new dwelling forms.

At the banquet, Harry Pope, billed as "the Tidewater philosopher," turned out to be an insurance agent from Massachusetts who gave an entertaining after dinner talk.

Butler Rejoins Aetna Fire

NEW YORK—Albert Butler, Jr., has rejoined the out-of-town department of Aetna Fire which he left in 1941 to become special agent for Home in the metropolitan department. He subsequently was special agent for Fidelity-Phenix in its local department. He is a son of Vice-president A. N. Butler of Corroon & Reynolds.

Brennan Heads N. Y. Brokers

The Insurance Brokers Association of New York has elected J. F. Brennan of Rollins, Burdick, Hunter Co., president, succeeding R. E. Kipp of Delancy, Kipp & Swan. Mr. Brennan formerly served as vice-president and has been chairman of the casualty and surety committees of the National Association of Insurance Brokers as well as the local organization. Other officers are L.

D. Egbert, Brown, Crosby & Co., and Thomas F. Handy, Benedict & Benedict, vice-presidents; S. Stanley Gray, McLean & McLean, treasurer, and Henry H. Livingston of Lukens, Savage & Washburn, treasurer.

Weiss Heads REA Insurance

Albert L. Weiss of St. Louis has been appointed head of the insurance section of the Rural Electrification Administration. He is an attorney and head of a general insurance agency in St. Louis but has recently been on active duty with the marine corps as head of the navy's consolidated school of aviation at

the Cape Girardeau, Mo., state teachers college.

Stott to Speak at Rochester

John C. Stott, president of the New York State Association of Local Agents, will address fire and casualty agents from 20 western New York and southern tier counties Nov. 9 at the Hotel Seneca in Rochester.

George Feindt Is Feted

George A. Feindt, who retired as Illinois state agent of North America Oct. 1, was feted by a group of about 50 field men with headquarters in Chicago

at a luncheon this week. Leo Davis, American, presided. D. J. Harrigan, St. Paul F. & M., on behalf of the group presented Mr. Feindt with a pocket book and key case.

Joseph J. Bonk was incorrectly identified in last week's story of the Insurance Institute certificate winners at Chicago as being with Commercial Union. He formerly was with that group but is now in the brokerage and service department of North British & Mercantile.

Harry Cooper, secretary National Association of Mutual Insurance Companies, is in an Indianapolis hospital.



This eighty year old company, and its well established running mates are, year by year, gaining an ever increasing number of representatives among agents and brokers who like the Fireman's Fund way of doing business--a helpful understanding of producers' problems, fast countrywide binding service, and prompt and cheerful payment of losses. Multiple line facilities and unquestioned financial security are further advantages to both producers and policyholders. Companies of Fireman's Fund Group are good companies to represent.



Tune in . . . Leland Stowe, World-Famous News Analyst, sponsored by National Board of Fire Underwriters, every Saturday Evening on Blue Network. See your newspaper for time and station.

FIREMAN'S FUND GROUP

Fireman's Fund Insurance Company
Fireman's Fund Indemnity Company
Home Fire & Marine Insurance Company
Western National Insurance Company
Western National Indemnity Company

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QUOTE, UNQUOTE

Our files are replete with letters of commendation for the sparkling, timely advertising aids we provide to help our Agents bridge the war-widened gap between seller and buyer. Here, for example, is a typical quotation from one of them:

"We highly appreciate the wonderful advertising department you have, the splendid circulars you furnish, and the illustrated pamphlets regarding various kinds of Inland Marine insurance."

Good advertising help is only one of many reasons why Agents consider their association with this capital stock company to be a pleasant and profitable one. Would you like to discuss the subject further?



**CAMDEN FIRE
INSURANCE ASSOCIATION**

CAMDEN, N. J.

"A Company is Known by the
Agents it **KEEPS**"

J. A. North Describes Program Given What U. S. Rule of Insurance May Be for Indiana Agents Group Oct. 31-Nov. 1

MANCHESTER, N. H.—Speaking at the annual meeting here Thursday of the New Hampshire Association of Insurance Agents, John A. North, vice-president of Phoenix of Hartford, discussed "Risks We Face" from the Supreme Court decisions that insurance is commerce.

While there is no federal agency equipped to take over insurance supervision, he said, the experience of other businesses is suggestive. In banking, federal controls exercised through the federal reserve system have been a constantly developing set of rules and policies over many years. Bankers confine their operations pretty strictly to the letter of the rules with little, if any, latitude, he said. Credit extension is subject to approval by federal bank examiners, and interest rates are influenced by the federal reserve in the interest of government credit. It all sums up to a centralized federal authority with power, dominated by the Treasury department, he asserted.

Interstate Commerce Commission

The Interstate Commerce Commission has given as good an account of its operations over the years as any federal bureau, yet the wrangle over freight rates between various sections of the country shows how impossible it would be to fix uniform insurance rates. He pointed out that the insurance business now reflects the special needs of Kentucky tobacco growers and seasonal hotel operators in New Hampshire.

A federal insurance bureau operated along the lines of OPA would have some astounding results, Mr. North suggested. Whenever the government has become involved in insurance the agent's commission invariably has reduced, he said. The present government's support of the cooperative movement is significant, he said. He wondered how the policyholders are going to fare in a federal-state government struggle over the power to tax insurance.

More rigid regulation is inevitable, whether the federal government moves in or leaves regulation to the states, or they share the field, Mr. North suggested. There should be a united front in the business and insistence on sound, fair and practical regulation and its application.

Following is the official program of the annual meeting of the Indiana Association of Insurance Agents to be held at the Claypool hotel, Indianapolis, Oct. 31-Nov. 1.

Tuesday Morning, Oct. 31

9:30—Call to Order, President Herman C. Wolff.

Invocation, Very Rev. Henry F. Dugan, chancellor of the Roman Catholic diocese, Indianapolis.

President's annual report, Mr. Wolff.

"Pick That Pistol Up"—Briant Sando, sales manager "Insurance Field," Louisville.

"New Jobs for the Pioneer," W. Ray Thomas, Pittsburgh, president N.A.I.A.

"The Quest for Security," Edward H. O'Connor, executive director Insurance Economics Society.

Tuesday Afternoon, Oct. 31

"The Efficacy of Local Boards," Simpson Stoner, Greencastle, chairman of local board committee, presiding; speakers and discussion leaders: Julius H. Meyn, Hammond; Ralph Hastings, Washington; Ralph Bolin, Brazil; S. C. Sayers, Greencastle; Gilbert N. Summers, Peru, and W. G. Thomas, Lafayette.

Election of officers.

"Step Out and Sell," William G. Power, Detroit, personal representative of general sales manager, Chevrolet Motor Division, General Motors Corp.

7 p. m.—Annual dinner, Claypool Hotel; President Wolff, presiding. Introduction of distinguished guests; William C. Myers local board trophy award; entertainment Indiana Elks Chanters.

Wednesday Morning, Nov. 1

8—Rural agents breakfast, President Wolff, presiding.

9:30—"That Silver Lining," Jules B. Guinotte, Kansas City, regional manager Aero Insurance Underwriters.

"Recent Developments in the Public Relations Program," Averell Broughton, public relations counsel N.A.I.A.

"Mass Production of Better Human Relations," Harry G. Helm, advertising manager Glens Falls.

Report of resolutions committee.

12:15 p. m.—Luncheon, Commissioner Viehmann, Indiana, presiding.

"Looking Ahead," Newell R. Johnson, Minnesota, president National Association of Insurance Commissioners.

Cleveland Courses Start Nov. 6

CLEVELAND—The department of education of the Insurance Board of Cleveland has scheduled insurance courses in fire, casualty, suretyship and inland marine to start Nov. 6. Registration is already under way and a substantial group has signed up in the fire and casualty fields.

"Planned Salesmanship," by Cousins, the book for accident and health men. \$3.00 from National Underwriter.

Constitutional Amendment Still Urged by Stone

NEW YORK—Federal supervision of insurance "undoubtedly means not just federal supervision but eventually governmental ownership and operation of the business," E. C. Stone, U. S. general manager of Employers Liability, warned in his talk at the annual dinner of the General Brokers Association of New York City Wednesday. Mr. Stone, who received the association's annual gold medal this year for his outstanding contribution to the insurance business, said that continued supervision by the states "keeps us closer to the people, brings in large revenues to the state, and will preserve the great business of insurance as one of the free private enterprises."

Saying that the only completely certain answer to the present confused situation is a constitutional amendment, Mr. Stone told why this would not be too difficult to achieve: The overwhelming vote on the Walter Bill in the House, the probability that the Senate will also be responsive to appeals of insurance commissioners, attorneys general, and governors, and the fact that there will be legislative sessions in more than the required three-fourths majority of states in 1945. As for the argument that no exception should be made of the insurance business, the complete answer is that state supervision has successfully stood the test for more than 75 years and that the strict and exclusive supervision by the states is, as it has proved to be, definitely in the public interest. He pointed out that no question of veto comes into the matter of constitutional amendment.

As to the kind of legislation that will be needed meanwhile, Mr. Stone said it should exempt the insurance business not only from Sherman and Clayton acts, but from the federal trade commission and the Robinson-Patman acts. The legislation should also include a statement of legislative policy by Congress that the continued regulation and taxation of the insurance business are in the public interest and perhaps even more should be attempted. This would be along the lines followed in the Webb-Kenyon act and other acts respecting which the Supreme Court has upheld what amounts to a delegation of power even though Congress cannot, under the constitution, delegate to the states any of the powers conferred on it.

All this can be most easily done by amending the Walter Bill on the floor of the Senate, Mr. Stone said. However, he pointed out that if legislation alone is relied on "We shall never know what we have accomplished until further decisions of the court are made" and for that reason there should be a constitutional amendment.

Thurber New President of So. Cal. Agents Group

O. M. Thurber, who operates the O. M. Thurber & Co. agency at Van Nuys, Cal., was elected president of the Association of Insurance Agents of Southern California at the annual convention in Long Beach. He succeeds Harold Savage, San Pedro. Mr. Thurber announced the appointment of Dane L. Patterson, secretary-treasurer of the Van Nuys Insurance Agency, as association secretary and his election as a director.

Mr. Thurber went to Van Nuys six years ago from Seattle and for a time was associated with R. J. Zarn & Co. Later he became sole owner of the agency which he retitled O. M. Thurber & Co. He is president of the Van Nuys Chamber of Commerce and secretary of Kiwanis there.

The Insurance Women of Cleveland are holding a Halloween card party Thursday evening with Mrs. Lucille Captain as chairman.

**THE LONDON
ASSURANCE**

**STANDARDS
OF
PROTECTION**

**THE MANHATTAN
FIRE AND MARINE
INSURANCE COMPANY**

99 JOHN STREET • NEW YORK 7, N. Y.

BE IN THE KNOW
LISTEN TO LELAND STOWE
Blue Network—Saturday Evenings

Loss in Southern Hurricane Is 90% Uninsured

Damage in the hurricane which hit Florida, Georgia and South Carolina last week may amount to several million dollars, though present information is so fragmentary that this estimate is subject to drastic revision either up or down. It is reported that there are 500 or more claims in Jacksonville, Fla., at least that many in Savannah, Ga., and a like number in Charleston, S. C.

Virtually every building in Fort Myers, Fla., was damaged to some extent, as was the case in Orlando and intermediate points. Sarasota, on the west coast of Florida, is reported to be the most seriously damaged of any of the cities, but very little definite information has been received about conditions there. Small windstorm losses are believed to have been incurred all along the coast north of Jacksonville.

J. Howard Gould, prominent local agent of St. Petersburg, in response to an inquiry, states that his personal observation indicates total property loss of \$10 million in the state and less than 10% insured losses covering dwellings, apartments and mercantiles; the 90% uninsured losses applying to citrus crop.

The storm from the Gulf entered the area of Tampa, St. Petersburg and Sarasota, spreading to Lakeland, Plant City and Orlando, causing insured losses of approximately 1,000 each claim averaging \$500 or less.

Windstorm insurance in Florida carries a \$50 deductible which will keep down the number of small claims.

Reports from Cuba, where American companies have a fair amount of windstorm coverage, indicate that insurance losses will be comparatively light. Much of the damage was to crops, which are not insured. No word has been received on the damage to sugar in warehouses but this would not affect American insurers to any extent as the sugar is covered by the local pool in which participants are virtually all either Cuban or British companies.

Auto Claims Men View Film on Estimating Repairs

NEW YORK—Valuable information in very usable form on the estimating of work needed to repair automobile damage and on the best methods for restoring a damaged car was given members of the Automobile Claims Association at its meeting here through a motion picture used by General Exchange in training its adjusters. The film was shown through courtesy of G.E.I.C.

The first part of the film showed a G.E.I.C. estimator looking over a car which had turned over and crushed its roof down considerably. The narrator pointed out how the cost of different needed operations is computed. Flat rates are used where possible, time being figured only on those operations for which no flat rate charge is available.

Sequence Is Important

The importance of using the proper technique, and particularly the proper sequence in bringing the body back to its normal shape was stressed. If proper methods are not followed the repair job will cost more than it should and may not be as satisfactory when completed. The film also showed how to appraise the seriousness of damage. For example, some dents which look like a big job to repair can be snapped out by hand pressure when certain of the impact strains are removed.

The film made clear the necessity of relieving strains in the proper order, the area of the principal impact being han-

dled first. If an area of secondary damage is lined up correctly first, the later straightening of the main impact damage may throw the previously straightened area out of line, necessitating extra work that would not have been necessary if the proper order had been followed.

The film also emphasized the importance of avoiding the stretching of metal, as this results in wrinkles. Also shown was the use of special hydraulic jacks in pushing a damaged roof up into place and otherwise straightening bent body parts. Sometimes strains must be

released alternately in order to bring about the best results on an automobile repair job.

Weather Bureau Sets \$100 Million as Hurricane Loss

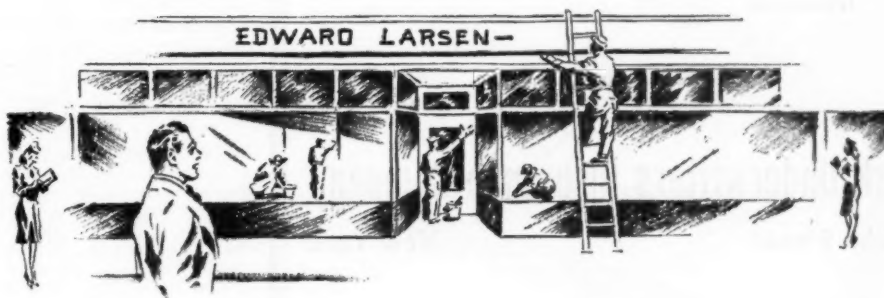
WASHINGTON — The September hurricane along the Atlantic coast resulted in loss of 390 lives and \$100 million property damage, according to estimate in a special report by H. C. Sumner of the marine section U. S. Weather Bureau. Deaths were due principally to

marine casualties. Their total included 46 fatalities occurring along the coastal areas, or less than 10% of the 494 fatalities resulting from the 1938 hurricane, which struck New England heavily.

The Weather Bureau reports 26 of the September fatalities occurred in Massachusetts, while 320 of the 338 persons injured suffered in New Jersey. Total number of houses destroyed is given as 921; houses damaged, 24,168; other buildings destroyed, 1,641; other buildings damaged, 16,832; boats destroyed, 131; boats damaged, 635.

Adventures in HAPPINESS

from the  DIARY of a Local Agent



Young Ed Larsen has always had a one track mind. Even when he was a youngster, his one ambition was to own and run a clothing store. While he was still in grammar school, he was delivering packages and sweeping out for Milo Kearney who owned our leading haberdashery. Ed didn't go to college, but got himself a job and saved his money.

After a few years, he opened up a store—a modest one—but he was doing pretty well, for he had good suits and ties, and people liked Ed.

As business got better, Ed felt that he needed a better looking store front and better counters and fixtures. If the owner of the building put them in, he was going to ask more rent. Young Larsen used up a lot of paper, figuring if it was cheaper for him to pay for them or to pay more rent to his landlord for the rest of his life. By that time, he had heard that the title to any permanent improvements that he made passed to the landlord, so he called me in.

"If this building burns down after I have spent my money to improve it, can I force the owner to put back a fancy front and to buy counters and fixtures for me?" he asked.

I shook my head, "Not a chance."

"But if he insures the added value—what then?"

"That makes no difference. You cannot tell him how he is going to use the money the insurance company pays him," I replied.

"But how can I protect myself? It is cheaper for me to improve this place than to pay higher rent forevermore."

"The best thing you can do is to buy a fire insurance policy covering these betterments and improvements and get your landlord to give you a long term lease."

Young Ed nodded and said, "That seems fair enough. If the place burns down, my interests are protected. If I stay here long enough, I get my money's worth. Your advice should save a good many hundreds of dollars. That's real service and I appreciate it."



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VALUABLE AIDS available to our agents for solicitation of PERSONAL PROPERTY FLOATER insurance include a simplified proposal form and pocket rule book with rates.

You will be interested in our "NO ENDORSEMENT" policy which has many exclusive features.

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Pacific Department
332 Pine St.
San Francisco, Cal.

Western Department
223 W. Jackson Blvd.
Chicago, Illinois

For Over Fifty Years Good Friends of Local Agents

Large Milwaukee Fur Loss Presents Some Complication

MILWAUKEE—Fire in the three-story and basement brick building at 1025 North Water street Oct. 17 caused considerable loss, estimated as high as \$100,000, mostly to the contents of fur coats in the fur cleaning, glazing and storage plant of Falconizing, Inc. The fire broke out in the third floor cleaning shop, when, it is presumed, a light bulb exploded in a sawdust shaker where coats are cleaned after having been dipped in a naphtha solution. Some 500 to 600 fur coats are believed to have been destroyed in the shop. Several thousand coats in the first floor receiving and shipping room and in the storage vaults were scarcely damaged.

The fire presents complications because of overlapping coverages. The Falconizing company carries a coverage on garments on the premises for storage and a separate coverage as a cleaner and dyer—many of the firm's wholesale and retail furrier customers carried coverage of their own, and in addition many coat owners carried specific insurance or are covered under the new household goods form.

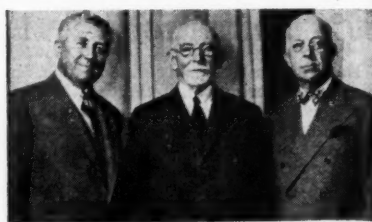
Agents and Adjusters Confer

At the annual meeting of the Milwaukee Board Oct. 18 O. C. Heiam of Western Adjustment, J. L. Whitman of Underwriters Adjusting, and H. C. Nurnberg of Nurnberg Adjustment, appeared on invitation to discuss the loss. President T. Z. Clayton appointed a special committee consisting of Val. Gottschalk, Monroe Porth and W. B. Calhoun, to confer with the adjusters as soon as additional data was available. A further meeting was then held Oct. 23, attended by the committee from the Milwaukee Board and by managers of all interested adjusting companies. In addition, special adjusters from individual insurers are understood to have attended.

It is generally understood that the agents will recommend to their customers that claims be filed first under specific insurance, either personal property floaters or fur floaters or furriers customers receipts. If there is no specific insurance or if it is inadequate, then claims should be made also under the 10% off premises coverage under the new household goods form. If no specific insurance or no fire insurance on household goods, then claims should be made direct to the insurer covering the cleaning establishment.

This suggested order does not mean that local agents are attempting to interpret the various overlapping and conflicting policy provisions. It was indicated that all the interested insurers and adjusters have shown a desire to cooperate with each other so that all claims may be paid promptly to the individual fur coat owners, leaving for future dis-

Three Who Have Been Head of Fireman's Fund



Photographed in San Francisco on the occasion of J. B. Levison's 82d birthday, these three men have each been president of Fireman's Fund. They are Charles C. Hannah, who has been president since October, 1943; Mr. Levison, who served as president from 1917 to 1937; and Charles R. Page, now chairman, whose term as president was from February, 1937, to October, 1943. This picture is reminiscent of a photograph taken in 1917 of Mr. Levison with William J. Dutton and Bernard Faymonville, who served as president from 1900 to 1914, and from 1914 to 1917, respectively.

Hazelhurst to D. C. Bureau

WASHINGTON—Harry Hazelhurst, who has been associated with the Royal-Liverpool group for some time here, has been made assistant manager of the new District of Columbia fire rating bureau.

The Des Moines Association of Insurance Women filled 25 Christmas boxes for soldiers and sailors overseas. H. G. Zimmerman of L. E. Ellis & Co., spoke at the October meeting on fire prevention.

cussion the rights, if any, of the various companies against each other.

Because of the public relations value of prompt action, every effort will be made to have the claims paid to the individual fur coat owners before cold weather sets in. The matter of checking records against fur coats burned, damaged or in storage to determine the individual losses is proceeding without delay.

BUILDING COSTS

HAVE INCREASED APPROXIMATELY

5% 17% 33%
IN 1 YEAR IN 3 YEARS IN 5 YEARS

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WANTED TO BUY

GENERAL INSURANCE AGENCY. In Middle West—\$7,500.00 Annual commissions or more. Address A-21, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Spottke Asks More Medical Coverage

Bureau Chief Tells of Future Rate Needs, Urges Simplification

PROVIDENCE—In his talk before the Rhode Island Association of Insurance Agents here, A. E. Spottke, automobile division manager National Bureau of Casualty & Surety Underwriters, said that the major problems ahead of the casualty business are preparation of new and flexible rating plans to meet post-war conditions, simplification of the automobile liability policy and extension of medical payments coverage to meet the challenge of compulsory insurance.

Mr. Spottke said that a rating plan problems belong to the producer as well as to rating organizations, since the latter only reflect the judgment of large segments of the business.

Requirements of Rating Plan

Pointing out that the automobile insurance business was pleasantly surprised at the way business held up during war conditions and that rates, hastily adjusted by judgment to meet entirely new conditions, have proved to be equitable, Mr. Spottke said that the year ahead will probably be one of transition, with liberalization of gasoline rationing when the war in Europe draws to a close and its abolition when all fighting ceases. It is important, then, to consider fair and reasonable rating methods during this period.

Mr. Spottke said that rating plans during the transition period must not create sales resistance, must utilize factual information wherever possible, must be easy to apply and use information already in the hands of the producer or at least readily obtainable by him, must be capable of introduction with a minimum of disturbance on existing business and must be one which can be conveniently replaced by a plan geared to the more permanent post war period.

Wants Medical Payments Routine

Although the automobile liability policy at present is a tremendously broad instrument of coverage, Mr. Spottke said everyone realizes its language is complicated and difficult for the public to understand. It has "just grown" as one extension after another was added, and now is the time to rewrite it, incorporating as simple an insuring clause as possible. An important and, in Mr. Spottke's opinion, most desirable, extension would be incorporation of medical payments coverage into the basic protection, at the basic rate.

Medical payments, Mr. Spottke said, has gone a long way toward securing public good will, because it takes casualty companies away from their traditional and once necessary attitude of resisting claims and puts the automobile adjuster in the same position as the life or fire insurance claim man toward the public. He said that the standard provisions have always included first aid coverage, so no great increase in the basic rate should be needed to incorporate medical payments. He said this extension would do more to combat the agitation for compulsory insurance than any other step. He also said there is no reason why medical payments should not be added to commercial and public automobile insurance.

Minimum Commission Per Policy Is Suggested

There is "considerable conviction" among brokers and agents organizations that the answer to decreased income arising from lower premiums and lowered commissions due to graded expense plans may be to provide a minimum commission per policy, said G. F. Sullivan in his presidential address at the annual dinner of the General Bro-

N. Y. Blue Goose Gets Season Off to Good Start

NEW YORK—The New York Blue Goose got off to a good start with an attendance of nearly 100 at the opening meeting of the season under the leadership of the new most loyal gander, W. F. Ohl, Jr., special agent of the Home, Newark. A report on the recent grand nest meeting at Denver was given by R. C. Williams, North British, immediate past most loyal gander, who with W. T. Murphy, manager Fire Companies Adjustment Bureau, Newark, were the pond's delegates. Mr. Williams spoke in glowing terms of the meeting and said that the memorial service that was held was second to none in impressiveness. He spoke of the unsurpassed job that the Denver ganders did in handling the arrangements.

P. M. Winchester, general manager eastern department Fire Companies Adjustment Bureau, spoke on the work of a new committee of the grand nest, which was organized to help those of the organization's 880 members now in the armed forces who may not want to go back to the same jobs that they left. Mr. Winchester, who is grand supervisor, pointed out that while all companies and all organizations will want their men back, the experience of the men while in the armed forces may influence them toward other types of work and the committee's purpose is to help them seek their proper niches, also to aid the companies in drawing on the tremendous pool of manpower that will be available. The committee is asking the companies to let it know what type of men they want and perhaps many of these needs can be supplied from returning Blue Goose members.

Williams Gets P.M.L.G. Pin

Mr. Winchester presented to "Dick" Williams his past most loyal gander emblem and said that all would agree that Dick had done a grand job as head of the pond, that it was one of the most successful years the pond has ever had, and that regardless of the fine support of his officers and committees the pond owed much to Dick's initiative and "go-get-'em" ability.

A. E. Monsanto, Firemen's, chairman of the armed services committee, exhibited the saddle-leather writing kit that the pond is sending to each of its members in the armed services. Six new members were elected, bringing the total membership of the pond to 382. The new members are D. C. White, New York City, state agent and manager of Caledonian; H. L. Beekman, special agent of Home, New York City; Edward Gaulkin, attorney, Newark; C. E. Klein, special agent, American Equitable, New York City; R. C. Thompson, eastern branch manager Aero Insurance Underwriters, and Blake Power, service department Home, New York City.

kers Association of New York City.

"Many have advanced the thought that the division of commissions as between agents and brokers should be fixed by agreement between the agent and brokers, said Mr. Sullivan. "At present the division is made by organizations in which we have no representation. Many other ideas have been advanced."

Mr. Sullivan said that "the firm basic policy of our association has been to advocate and work for broader coverage and lower premium cost as well as less litigation" even though the result is less dollar income and more work for the broker.

Discussing the effects of the S.E.U.A. Supreme Court decision, Mr. Sullivan said that "our energies and abilities and efforts must now be directed in complete unity with all others to work out a reasonable program."

RELIABLE

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Agents

THROUGHOUT the Reliable Fire Insurance Company's 79-year history, Ohio agents have played an important part in its growth and development. Thanks to their wholehearted—yea, even enthusiastic support, the Company has progressed from a small institution of limited means to a highly successful organization.

This splendid cooperative spirit on the part of Reliable agents is, we believe, a direct outgrowth of the Company's unswerving policy to provide them always with completely dependable, economical insurance—to pay all just claims promptly and cheerfully—to lend them active personal assistance in developing prospects and closing sales. As a consequence, Reliable and its agents have gone forward together—each contributing to the other's success.

FOR 79 YEARS A NAME TO RELY ON!

THE RELIABLE FIRE INSURANCE CO.

Agents are invited to write for complete details regarding Reliable's cooperative plan to increase their insurance sales and profits. Address: E. J. Weiss, President; John W. Kramer, Secretary; C. R. Dobbins, Asst. Secy.

NEWS OF FIELD MEN

J. R. Wilson with G. & R. in Penna.

James R. Wilson has been appointed state agent in eastern Pennsylvania for Globe & Rutgers, State of Penn., and American Home with headquarters at 308 Walnut street, Philadelphia.

Mr. Wilson is well and favorably known in eastern Pennsylvania and Maryland, having traveled that territory for a number of years. He received his education at Mercersburg Academy and Penn State University, entering the insurance business with Travelers at Scranton, Pa. He later was associated with the Charles H. Genter & Co., office in the same city, and more recently has traveled in his present territory for Atlas. With his agency and field experience, Mr. Wilson is well qualified to serve the agents of his present companies in this territory.

Kansas Fall Splash Oct. 31

The Kansas Blue Goose will hold its fall "splash" in Topeka Oct. 31, with initiation at 3 p.m. and dinner at 7 p.m. The Kansas Fire Underwriters Association is holding its bi-monthly meeting there the same day.

Inspect Richmond Plants

Members of the Stock Fire Insurance Field Club of Virginia, working in teams under the direction of Marshall C. Speight, president of the club, inspected practically every industrial plant in Richmond during Fire Prevention Week. Most plants were found to be in remarkably good condition, they reported.

Wyatt North America Iowa State Agent

J. B. Wyatt of Omaha, who has been Nebraska state agent for North America for a number of years, has been transferred to Des Moines as Iowa state agent. He takes the place of James E. Bright, who has resigned to enter the local agency business.

Report on Texas Loss Ratios

The Alamo Blue Goose, San Antonio, voted to hold a mid-winter meeting for initiation of 10 candidates. A. L. Thompson, Springfield F. & M., reported for the fire prevention committee an increase in fire premiums for the year of 52%, with a loss ratio of 43%, and an increase on windstorm of 17%, with a loss ratio of 64%.

Harold G. Reinhackel, America Fore, spoke of inquiries from hotels on protection against damages which may occur on V-day. The consensus was that the hotels are exaggerating the danger of such losses.

Inspect Montevideo, Minn.

A large group of field men took part in the inspection of Montevideo by the Minnesota Fire Prevention Association. John McHale, New York Underwriters, addressed the Kiwanis Club at luncheon. Lake City will be inspected the middle of November.

Broader Kansas SWIS Setup

At a meeting of the executive and evaluation committees of the Kansas SWIS in connection with the inspectors' conference and school at which 61 inspectors were registered, two new mem-

bers were added to the evaluation committee, John Morrison, commissioner of safety of the Kansas labor board, and M. V. Reagan, engineer with the Mill Mutuals. Plant safety and first aid training are to be emphasized in future SWIS inspections, which now include large flour and feed mills, terminal grain elevators, meat packing plants, cold and dry storage and other large plants.

Oklahoma Blue Goose Dinner

The Oklahoma Blue Goose members and their ladies to the number of 185 attended a dinner at Twin Hills Country Club, followed by informal dancing. C. E. Johnson, New York Underwriters, was toastmaster.

Ohio Speakers' Meetings

At the meeting of the Ohio Stock Fire Insurance Speakers Association in Columbus Nov. 13, Mansell Davis, Aetna Fire, will talk on "Tolerance" and Robert A. Henne, America Fore, will discuss the effects of the recent reductions in fire rates. On Dec. 4 Homer L. Rubrecht, St. Paul F. & M., and C. D. Lamme, Automobile, will compare the coverage afforded by the personal property floater with the combination of the fire and extended coverage endorsement and the new residence and outside theft contract.

Selective Service Talk in S. F.

Lt. Comm. F. Edward Walker, former manager of the Walker general agency of Mutual Benefit Health & Accident and United Benefit Life in Salt Lake City, explained the details of selective service to the San Francisco Blue Goose Monday. He recently returned from overseas duty and is now district coordinator for selective service in the San Francisco area.

Initiate in Kansas City

With 65 in attendance, the Heart of America Blue Goose held its fall initiation in Kansas City. Alex Young, Hartford Fire, most loyal gander, presided.

The following were initiated: Lyle Bean and Earl Hill, Western Adjustment; Jack Boehner and Phillip Pickard, Western companies; Eugene Bayless, Travelers; John Heater and Ralph Spencer, T. W. Garrett, Inc.; Richard V. Hartnett, Crum & Forster, and John D. Work, Missouri Inspection Bureau.

Extend Wis. SWIS Assignments

An additional 150 plants have been assigned to the Wisconsin state operations committee of SWIS. The Wisconsin committee has 80 inspectors. Thomas Larkins, Milwaukee, special agent Hartford Fire, is chairman of the operations committee.

Georgia Blue Goose Meeting

The Georgia Blue Goose will hold a honkfest at the Atlanta Athletic Club, Atlanta, Nov. 3. John P. Holmes is most loyal gander and will preside. E. D. Schane is chairman of the entertainment committee that is preparing for the meeting.

Weathers to Pacific Northwest

Buck Weathers of Oklahoma City has been appointed manager of Cravens Dargan & Co. in Spokane, Wash., covering eastern Washington, eastern Oregon, Idaho and Montana. For two years he had served as special agent in Oklahoma City.

Ann Higbee, wife of the Hartford farm and hail manager in Wichita, was

hostess to the October dessert-bridge meeting of the Blue Goose Auxiliary there.

Thomas G. Linnell, most loyal grand gander of the Blue Goose, accompanied by Mrs. Linnell, paid an official visit to the Winnipeg pond Oct. 23.

The Minnesota Blue Goose is planning a Hallowe'en party Oct. 30.

H. W. Peterson, special agent of New Zealand in Los Angeles, fell from a ladder while working in the garden at his home and fractured an ankle.

George Henry, San Antonio, state agent of Royal-Liverpool, is the proud father of a daughter.

The Kentucky state agency of Aetna Fire has been moved to 666-670 Starks building, Louisville. E. C. Knoop is state agent, T. J. Nicol, special agent, and E. C. Hill, farm special agent.

NEW YORK

AACHEN & MUNICH MEMORIES

Owing to the stiff fighting that has been going on in and about Aachen, Germany, many insurance men have recalled Aachen & Munich Fire, which operated in this country until the first world war. Its headquarters were at Aachen. It entered the United States in 1897 and appointed as United States manager J. A. Kelsey, who was assistant western manager of Royal. He moved to New York City and his right hand man was Thomas C. Moore, who was one of the chief examiners of Royal and later for many years vice-president of Potomac. J. M. Clark, formerly executive special agent of New York Underwriters, now retired, was one of its leading field men. Harvey W. Murray of Chicago was supervising general agent. J. H. Macfarlane, now secretary in the western department of America Fore, and Dean Baldwin were special agents. S. H. Quackenbush, now assistant manager of Crum & Forster western office, was assistant U. S. manager.

When Aachen & Munich was compelled to retire on account of the war Tokio had entered the United States and under the management of Johnson & Higgins appointed Mr. Kelsey as general agent. Standard Fire of New York was organized several years after this and succeeded to all the business.

DEWEY RALLIES EVERY NOON

The Democratic-Republican Insurance Club for Dewey at the junction of Maiden Lane and Liberty street, New York, is holding rallies each day between 12 and 2 p. m.

Speakers have included: Henry J. Taylor, news commentator and radio analyst; Simeon Willis, governor of Kentucky; H. W. Schaefer, prominent insurance broker, on "The decision of the Supreme Court to deny a rehearing on the S.E.U.A. case and its dire implications affecting a \$33 billion industry"; Percy C. Magnus, New York business executive.

Volunteers are solicited to work in headquarters at 84 William street.

E. P. Hylant, Jr., 50 prominent Toledo agent, died there after an illness of some weeks. He was operated on in July for a brain tumor. He was a veteran of the first world war and had lived in Toledo 24 years.

J. H. Hargraves has returned from naval service and has become associated with the Lumbermen's & Manufacturers Mutuals at Milwaukee.

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Fire, Casualty and Inland Marine

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Attractive Contracts for Responsible Agents

WICHITA, Kansas

Stoskopf, Budge New Kansas Heads

Security Lies in Private Capital, Not Compulsion

E. H. O'Connor Tells Kansans of Danger in Proposed Schemes

In his address before the Kansas Association of Insurance Agents at Wichita last week, E. H. O'Connor, Chicago, executive secretary Insurance Economics Society of America, outlined some of the grandiose social security schemes now being considered and warned that their cost would bankrupt the nation and at the same time would stifle the initiative and private enterprise which are essential to a sound prosperity.

Pointing out that if wishful thinking were all that is required, the attitude of advocates of government action in this field would be justified, Mr. O'Connor said that present proposals would cost \$20 billion annually, out of a national income of \$120 billion, which simply cannot furnish that much without uprooting the national economy. There are ample blueprints of schemes which have been tried in foreign countries, but not one presents an appealing picture to Americans, and the inevitable end of each is dictatorship.

Security Without Compulsion

Emphasizing that he is not opposed to social security, Mr. O'Connor said that it should start on the basis of protection built up by private insurance companies, without the government compulsion which eventually makes slaves of men. There are serious problems, but they can best be met by study and cooperation between government and private enterprise and between various groups of businesses.

The first requisite for security, Mr. O'Connor concluded, is full employment and this can be provided only by risk capital. This capital has made America what it is and it cannot be provided by diverting a substantial part of the national income into sterile government funds.

Committees Named by Executive Group

Following the meeting of the Kansas Association of Insurance Agents, the executive committee reelected Secretary Evan H. Browne, Jr., Kansas City, and State National Director V. G. Henry, Wichita, and chose its new members, who are listed elsewhere in this issue.

New committee chairmen were also appointed as follows: Conference, F. T. Priest, Wichita; membership, R. L. Budge, St. John, the new vice-president; legislation, G. D. Hussey, Topeka; grievance, C. K. Foote, Wichita; accident prevention and safety education, George Mc-



E. H. Browne, Jr.

Coverage Forum Sparkles Kansas Opening Session

New Dwelling Form, Residence Theft, Values Among Items Discussed

The forum discussion on coverages and developments at the opening session of the Kansas Association of Insurance Agents at Wichita was an outstanding hit. Every seat in the meeting room was filled and there was practically no vacant standing room, and the crowd stayed on edge for an hour and a half. It was unanimously voted one of the most attractive programs ever staged by the Kansas association.

J. C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletin" of THE NATIONAL UNDERWRITER, was moderator, with Dwight Smith, Wichita, past president of the association, R. L. Budge, St. John, newly elected vice-president, H. W. Hoffman, Lawrence, attorney Phoenix Indemnity, and C. E. Stiehl, Topeka, state agent London & Lancashire, answering questions, both from Mr. O'Connor and from the floor.

New Dwelling Form

The new dwelling and contents form, just adopted in Kansas, was naturally the prime topic and Mr. Stiehl won unlimited applause with a brilliant and concise explanation of it. There was particular interest in the risks to which it is applicable, the rules on what constitutes a one and a two family dwelling and on the status of old policies. W. C. Hodges, Topeka, manager Kansas Inspection Bureau, said that his organiza-

tion has no authority to rule on this point and that it must be left to each company.

Mr. Smith started an interesting discussion of values, citing several recent losses which were seriously underinsured. Several points involving the application of coinsurance were discussed from the floor.

Residence Theft Policy

Mr. Hoffman got a hand by refusing to let Mr. O'Connor needle him into an argument over the relative merits of the residence theft policy and the personal property floater. He said that at least 60% of an agents' clients are not prospects for the floater, but can and should be sold residence theft insurance. He also said that in his opinion many insurance men have overstressed the mysterious disappearance feature of the residence policy, thus provoking meaningless arguments, instead of selling the policy for what it is.

Mr. Budge discussed the problem of married daughters of assured returning to the home for the duration of the war and all agreed that their property is covered under fire, burglary and personal property floater policies.

In his introductory remarks, Mr. O'Connor briefly reviewed the developments in coverages during the past year. He said that insurance at last is leading public demand, instead of following it, and called the progress of the 1943 New York standard fire policy the outstanding step toward uniformity and broader coverages.

Cover Live Issues in Crowded One-Day Meeting at Wichita

Ask Unearned Premium Change; Praise Brown for Administration

OFFICERS ELECTED

President—George Stoskopf, Baxter Springs.

Vice-president—R. L. Budge, St. John.

Secretary-Treasurer—E. H. Browne, Jr., Kansas City.

State National Director—V. G. Henry, Wichita.

Executive Committee—U. C. Brown, Emporia, chairman; L. W. Jones, Dodge City; Erwin Keller, Topeka; Ohio Schmidt, Salina; C. E. Funston, Winfield.

By WILLIAM A. SCANLON

Performing the supposedly impossible feat of covering an immense amount of ground in a one-day meeting and yet not ruining its program by a crowded and unworkable schedule, the Kansas Association of Insurance Agents chalked off another popular and highly success-



George Stoskopf

Wichita Board and Budge Win Awards

The two awards of the Kansas Association of Insurance Agents, presented at the annual dinner, are the Frank Priest cup, donated by the association's great leader, for outstanding local board work, and the Rosse Case Memorial award for leadership in fire prevention work, donated by Alex Case, Marion, in memory of his father, one of the Kansas association's most prominent pioneers.



R. L. Budge

R. L. Budge, St. John, the new vice-president, won the Case award. It was presented by N. K. Nelson, Topeka, state agent Great American and president Kansas Fire Prevention Association.

The Wichita board won the Priest cup this year, breaking the hold of the Independence board. The latter board had won permanent possession, so Mr. Priest donated a new cup. Dorth Coombs, Wichita president, in accepting it, disclaimed all personal responsibility, saying he had been president only a few weeks and had been out of town most of the time. He said the credit belongs to C. J. Slawson, Dulancy, Johnston & Priest, past president, who was finally induced to take a bow.

Hutchinson was well represented at the meeting, with 12 agents on hand. The delegation was headed by John Fontron, president, and Arthur Lewis, secretary of the local board.

ful convention at Wichita last week. After turning their attention to such important matters as public relations, developments in coverages, social security threats to the business, education and rural agents' problems, every one of the 281 registrants had high praise for the condition of their association and for the administration of President Urban C. Brown, Emporia.

The Kansas association adopted resolutions affirming those passed by the National Association of Insurance Agents the preceding week at Milwaukee, but to the one condemning strikes in war work added a word of praise for the way Kansas labor has stuck by the job. Another resolution urged that the present system of reinstating losses where unearned premium insurance is involved be simplified.

Vice-president George Stoskopf, Baxter Springs, was raised to the presidency at the final session, while Raymond L. Budge, St. John, a new young agency leader, who had appeared on the program for the first time and had won the Rosse Case Memorial award for fire prevention activities, was elected vice-president. Secretary-Treasurer Evan H. Browne, Jr., Kansas City, and State National Director Victor G. Henry, Wichita, were continued in office by the executive committee.

Despite the smoker the night before

the formal opening of the meeting, which attracted a large turnout, the meeting room was almost filled when Messrs. Brown, Henry and Browne, made their reports at the opening session, and there was little room to stand when the forum on coverages, the main morning feature, began at about 10:30. Two luncheons, one on public relations and one on education, drew more applicants than could be served and the crowded condition continued in the afternoon when Averell Broughton, New York, public relations counsel National Association of Insurance Agents explained the public relations program and appealed for active, as well as financial, support from every member. He was followed by E. H. O'Connor, Chicago, executive secretary Insurance Economics Society of America, who, in the opinion of observers who had heard him elsewhere, never gave a finer talk.

More Than 400 at Banquet

Over 400 persons jammed the banquet room of the Broadview hotel for the dinner. W. V. Murchie, St. Joseph, Mo., manager Dun & Bradstreet, gave a humorous talk, interspersing serious philosophy with "dead pan" remarks which kept the audience in a constant state of mirth. A strictly amateur speaker, Mr. Murchie has been in constant demand since his talents were discovered about three years ago and has addressed over 200 groups in that time. Presentation of the Frank Priest cup to the Wichita board and of the Rosse Case Memorial award to Mr. Budge took place at the dinner, and nearly everyone present stayed for the dance which followed.

Education, Public Relations Feature Luncheon Session

(CONT' FROM PRECEDING PAGE)

cussion of how to promote these courses in smaller centers. Henry Weltmer, Kansas City, Mo., associate editor "Insurance Magazine," reported that plans are under way for reviving the short course school at the University of Kansas. A navy program at the university is expected to be concluded early next year and the university can then accommodate the insurance school.

Large Enrollment Not Necessary

J. C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletin" of THE NATIONAL UNDERWRITER, spoke briefly on the results in other localities, urging the members not to make a fetish of a large enrollment, but to get the courses started and results will follow.

LARGE RISKS
IN KANSAS
A SPECIALTY

The
Meade
COMPANY
Insurance
Topeka, Kansas

Holmes Meade Lakin Meade
Joe W. Hull August Wahl
Ray Henry Lloyd Perryman

Sunflower State Notes

Company Officials and Field Men Present in Large Numbers

On the old theory that "success breeds success," the Kansas Association of Insurance Agents always attracts a large number of insurance company officials, since its reputation for drawing a large turnout of agents, representative of all parts of the state, is now well established. This year's meeting at Wichita was no exception, and the hotel was well filled with company rooms, each manned by some excellent official talent. The turnout of field men, always large, was enhanced this year by the State War Inspection Service meeting in Wichita the early part of the week.

The Kansas association differs from most other insurance organizations in that its executive committee meetings are entirely open. Anyone, member or not, is welcome. The result is an informal, democratic executive committee. The members of the committee work hard and long, but there is always plenty of interest in their discussions. This year, which is typical of its operations, the executive committee met practically all day Wednesday before the meeting, nearly all day Friday after it and sandwiched in a session during the meeting.

W. C. Bray, Kansas City manager Bituminous Casualty, maintained headquarters as usual.

Commissioner C. F. Hobbs missed his first Kansas meeting in the 16 years he has been in office because of a conflict in dates.

Past President G. D. Hussey, Topeka, flew his private airplane to Wichita, but was unable to stay for the dinner. He has 35 hours flying time and his daughter, Carolyn, a student at Ward-Belmont College, has 155.

Kenneth Ross, former secretary Arkansas City board, is now in the army at Camp Barkley, Tex., but Mrs. Ross, who is operating the agency, attended.

The association presented to the retiring president, Urban C. Brown, Emporia, a \$50 war bond and one of Mr. Brown's favorite smoking pipes.

The attendance prizes were won by Clyde Brown, Hutchinson; Robt. Noble, Wichita, state agent National Union; Dan Boyette, Kansas City, Mo., Travelers; and Marjorie R. Wilson, Topeka, secretary of the Meade Co., chairman of the association's education committee, who won the grand prize, a \$25 war bond presented by Central Surety.

The America Fore group delegation was composed of L. J. Feehey, Chicago, assistant secretary; James E. Guy, Chicago, superintendent of the automobile department; Clarence W. Bean, Kansas City, Kansas state agent for eastern Kansas; Wm. F. Ehret, Wichita, state agent western Kansas; Merle E. O'Dell, Kansas City, state agent eastern Kansas; and A. C. Dow, Kansas City, Kansas farm and hail special agent.

U. S. F. & G. headquarters were in charge of O. R. Leeds, Kansas City manager, and Wm. J. Green, Kansas City, district supervisor.

Among the many charming and popular Wichita ladies who attended the banquet were: Mrs. Frank Priest, Mrs.

Charles J. Slawson, Mrs. Elmer Beezley, Mrs. Wm. F. Ehret and her daughter, Virginia, Mrs. Ewing Fergus, and Mrs. C. J. Wintrol.

Byron Chapell, Wichita, general chairman of the convention committees, and his associates were highly commended for their handling of convention details.

The printed program was prepared and distributed by the Kansas City office of the First Bancredit Corporation.

The Wichita daily paper was presented to each conventioneer complimentary by the Kansas City office of Fidelity & Deposit.

Frank J. Shields, Chicago, marine manager National Union, and Robert J. Noble, Wichita, Kansas state agent, represented their company at the meeting.

C. L. Zook, Chicago assistant manager of the National Fire group, who formerly traveled in Kansas, was a visitor.

W. R. Kirk, Topeka, who several months ago left the North British U. S. head office to establish the Kirk General Agency, mingled with the Kansas agents.

Harold E. Holtz, Topeka, state agent of Millers National, had to leave the meeting because of the illness of his daughter.

I. C. Forney, Newton, member of the executive committee, was unable to be present. He is head of the War Dads organization at Newton and was attending a meeting of that group at Omaha.

L. N. Ewing, Tulsa, general agent operating in Kansas and Oklahoma, was present.

Will S. Thompson, Hutchinson, a former president of the association, who is now president Great American Life, maintains his interest in association affairs. He attends the annual meetings regularly. He was on hand again this year.

Central States Fire acted as host for the annual stag party.

The dance which followed the banquet was provided by the Central Kansas Adjusting Co., Sheffer-Cunningham, Tharp Adjusting, Western Adjustment, and Underwriters Adjusting.

Wade Patton, Hutchinson, for many years secretary-treasurer Kansas association and now chief of the special projects branch, midwestern procurement district, army air corps, stationed at Wichita, was chairman of the resolutions committee. Members were: Norval N. Kline, Hutchinson; Frank H. Johnson, Emporia; Charles G. Blakely, Jr., Topeka; Robert Anderson, Arkansas City; Charles B. Erskine, Cimarron, and Jack G. Cherry, Pittsburg.

A resolution was adopted regretting the passing of Col. Sam F. Woolard, Wichita, who died recently. Mr. Woolard was an honorary member of the association. He retired some years ago as state agent of the Commercial Union group for which he had traveled for more than 40 years.

The nomination committee was composed of Harry Davis, Hutchinson, chairman; Raymond L. Budge, St. John; Ben Northcutt, Newton; Byron Chapell, Wichita, and Tom Buzal, Arkansas City.

Dorrene Olson, Kansas City, assistant to Evan H. Browne, Jr., secretary-treasurer, was introduced.

J. Wiley Burden and L. E. Grigsby, assistant managers of Hartford Fire at Chicago, were on hand for all the sessions.

Among the missing at this year's gathering was Holmes Meade, Topeka, a former president.

Paul M. Britton, Chicago, general agent of Fireman's Fund, was on hand. He is a son of the late Frank L. Britton who was one of the best known and highly respected field men in Kansas.

R. H. Hibbard, field assistant of Hartford Accident, out of the home office, was among the visitors.

At the rural agents breakfast conference, presided over by Geo. F. Bacon, president of the Eldorado board, the farm

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Can't Retire



FRANK T. PRIEST

When he accepted an appointment to the executive committee of the Kansas Association of Insurance Agents last year, Frank T. Priest, Wichita, outstanding state and national leader, did so with the understanding that he would serve only one year, instead of the usual two-year term. The executive committee kept its word, appointing C. E. Funston, Winfield, to succeed him, but refused to dispense with Mr. Priest's services entirely, making him chairman of the important conference committee.

Mr. Priest has held virtually every office in the Kansas association and unquestionably would have been president of the National Association of Insurance Agents, had his health permitted him to continue his activities there. After serving several terms on the National association executive committee, he was compelled to relinquish it in 1936, the year he was slated to be elected executive committee chairman, which then meant the presidency the following year. Observers at the Pittsburgh convention that year recall that Mr. Priest was given a tremendous ovation as he escorted Charles F. Liscomb, Duluth, who was chosen chairman, to the platform to be inducted. Since then, Mr. Priest has held a number of offices in Kansas and donated the Frank Priest cup for local board work, which this year was won by his own Wichita association.

Convention Committee Chairmen

B. S. Chapell, general chairman of the Kansas meeting, won unlimited praise for the smooth way everything was handled. His local committee chairman included Max Staley, reservations and registrations; Robert Elwell, publicity, who secured a number of stories and pictures in the Wichita papers; C. K. Foote, floor and attendance; Leslie Crawford, banquet and luncheons; J. H. Burns, Jr., smoker, and T. E. Welsh, program.

writing agents discussed problems affecting this class of insurance.

George Stoskopf, Baxter Springs, the new president, was chairman of the Priest cup committee, and was assisted by George Withers, Clay Center, and Henry Schott, Wichita.

Members of the Case memorial award committee were George S. McAnany, Kansas City, chairman; Arthur Lewis, Hutchinson, and Robert Anderson, Emporia.

A digest of the highlights of the new dwelling and contents forms and rule book changes, prepared by Howard Campbell of Kansas City F. & M., were distributed free by Cecil McGee, Topeka, state agent of the company.

Secretary Evan Browne had a monologue which was highly in demand. He gave it by request at the executive committee meeting, repeated it at the past presidents dinner and it is understood that it was reenacted in a few hospitality rooms, but he refused requests to stage it before the full meeting or at the dinner.

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New Kansas Officers Have Long Service in Association

George Stoskopf, new president of the Kansas Association of Insurance Agents is from Baxter Springs, a town of less than 5,000 in the zinc mining area in southeast Kansas. He entered insurance in 1931, when he purchased the old A. V. Smith agency, attended his first Kansas meeting at Wichita in 1934. He was named to the executive committee in 1942 and last year at Topeka was elected vice-president and named chairman of the membership committee. During the year he boosted the membership from 423 to 441. Prior to entering the business, Mr. Stoskopf taught school and worked with mining interests as a bookkeeper. He was born in old Indian Territory and has always lived in the immediate vicinity.

Vice-president R. L. ("Doc") Budge of St. John, a town of 2,000 in south central Kansas has been in the insurance business since shortly after the last war. He has seldom missed a Kansas meeting and served a two-year term on the executive committee a few years ago. Last year, as chairman of the fire prevention committee, he did outstanding work. He joined the National Fire Protection Association and each month had an effective and helpful column in the "News Letter" of the association. He assisted the mayor of St. John in a survey of the town's fire protection, encouraged the purchase of additional fire equipment, backed a live Fire Prevention Week campaign and turned over his N.F.P.A. publications to the city library for use of the schools.

Kansas Past Presidents Form "Purple Duck" Group

At the annual past presidents dinner of the Kansas Association of Insurance Agents, the group voted to organize a "mudhole" of the "Grand Ole Order of the Purple Duck," which originated this year with the Arkansas association. F. A. Gould, Arkansas City, an early president of the Kansas association, was chosen "grand high quack," and Harry Tinklepaugh, Kansas City, "high quack of scroll and quill." The group will sponsor a mimicry of the Blue Goose at future meetings, selecting various field men and various incidents in the state for proper jesting.

In addition to Messrs. Gould and Tinklepaugh, the dinner this year was attended by Past Presidents Charles G. Blakely, Jr., Topeka; Dwight Smith, Wichita; W. S. Thompson, Hutchinson; G. D. Hussey, Topeka; C. K. Foote, Wichita; Alex. Case, Marion; L. W. Jones, Dodge City; E. S. Nellis, Topeka, and V. G. Henry, Wichita. The officers and most of the executive committee were present and also B. S. Chapell, Wichita, general chairman; Dorth Coombs, president Wichita board, and Averell Broughton, New York, and J. C. O'Connor, Chicago, who were on the meeting program.

Rural Agents Breakfast Session

The rural agents breakfast of the Kansas Association of Insurance Agents was held Thursday morning. A lively discussion lasted half through the morning under the leadership of President G. F. Bacon of the Eldorado board. In lieu of further rate reductions on farm properties, the majority favored a further broadening of the forms and coverages. It was agreed that a general increase of insurance on farm buildings should be avoided, as values will no doubt suffer a severe drop after the war. Many agents reported farmers in the market for many additional coverages at this time because of their increased buying power.

Earle R. Seaver, state agent of Agricultural and Empire State in western Pennsylvania, died unexpectedly. Funeral services were held at his home in Cresson, Pa.

Again State Director Rickards Now Heads Life Members Group



V. G. HENRY

Mayo Aetna Fire Marine Agency Supervisor

Elliott A. Mayo has been appointed marine agency supervisor of the Aetna Fire group. For a number of years he has been serving as inland marine underwriter. In 1931, shortly after his appointment as marine special agent, he was transferred from the home office to the North Carolina department at Charlotte. Since 1939 he has been located in Hartford.

In Business Since 1916

Mr. Mayo joined Aetna Fire in 1926 as inland marine underwriter, with a background of 10 years in insurance. He was first employed by Globe & Rutgers in 1916. In 1918 he joined National Liberty and from 1924 to 1926 he was with Automobile.

E. L. Rickards of Chicago, branch secretary of the National Automobile Underwriters Association, was elected president of the Life Members Society of the Northwest Association at a well attended dinner meeting in Chicago Tuesday. He succeeds D. O. Stine, retired St. Paul field man, of Reedsburg, Wis., who presided in talented style.

E. G. Frazier, resident vice-president Springfield F. & M., was reelected president of the Northwest Association itself.

Mr. Stine reported there are about 600 life members. He read messages from S. D. Andrus of Detroit, who is nearly 90, and W. H. Daniels of California, who is 93. During the year 21 members died, their average age being 70. Five of them were over 80. He recalled that this was the 73rd meeting of the Northwest Association, the organization having been founded in 1871.

Roy Nicholson, Michigan F. & M., Milwaukee, reported for the memorial committee in the place of W. T. Benalack, vice-president Michigan F. & M., who was unable to attend.

Mr. Rickards reported as membership chairman; W. C. Sonnen as secretary and Ralph Woltersdorff, Atlas, as treasurer. Clark Munn, Cook County Loss Adjustment Bureau, was chairman of the nominating committee for both the Life Members Association and the Northwest Association.

First vice-president of the Life Members organization is P. C. Metzger, London & Lancashire; second vice-president, C. W. Ohlsen, Sun; third, John Rygel, Hanover, and fourth, J. D. LaTeer, Agricultural, Peoria. Mr. Sonnen was reelected secretary and Mr. Woltersdorff treasurer.

D. J. Harrigan, St. Paul, is vice-president of the Northwest Association; Carl E. Ingram, Great American, secretary, and Mr. Ohlsen, treasurer.

Harry Green of Atlas was chairman of the entertainment committee and provided professional talent that made a great hit.

In addition to the new life members

mentioned in last week's edition there are L. R. Choate, Home, Peoria; Sam T. Johnson, Globe & Rutgers, Chicago, and John V. McCabe, McCabe & Hengle agency, Chicago.

Tuesday noon the executive committee gave a luncheon in tribute to Mr. Stine.

Thomas to Phoenix, Conn., Group as General Adjuster

G. F. Thomas, vice-president and secretary of Great Eastern Fire, goes to the Phoenix of Hartford group Nov. 1 as general adjuster. Graduating from Boston University in 1925, Mr. Thomas began his insurance career with the General Adjustment Bureau's Boston office. After serving with that organization in New England and suburban New York, he became a special agent of Great Eastern when it was organized in 1929. He has been prominent in White Plains civic activities. He was recently elected to the Great Eastern's board and will retain that position.

Downtown Fire Loss in Cincinnati

CINCINNATI—Seven people were killed and 11 others injured, some critically, in a fire at 236-38 East Fifth street within one block of Fountain Square Monday. Most of the damage was to the American Pencil Company on the top floor of the four-story brick and stone building. Fire loss is estimated at \$15,000. Insurance on the building included: General of Seattle, \$8,500; Cincinnati Equitable, \$3,500; St. Paul F. & M., \$5,000. The pencil company stock and equipment was insured for \$28,500 in nine companies.

There was water and smoke damage to a delicatessen store on the first floor, insured for \$4,000, and a wine store, insured for \$3,000.

An employee of the National Underwriter Company, Margaret Jarman, in the office of the pencil company when the fire broke out, was killed.

Cpl. John A. Gibson, Jr., son of the Virginia state agent for Travelers Fire, was killed Oct. 4 in a motor accident in Italy, his parents have been notified.

AGAIN LOOKING FORWARD...

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Ohio Agents in Successful Gathering

Emphasize Local Application of Public Relations

Ohio Agents Told What Has Been Done in Various Cities of State

COLUMBUS—Members of the Ohio Association of Insurance Agents at the convention here this week showed a disposition to become serious about the vital if sometimes unexciting job of giving public relations activities a vigorous and telling local application.

A. J. White, secretary of the Columbus board, and George McCleary of Springfield emphasized in their talks Monday morning the need of localizing any effort to improve the standing of the business in public estimation. There was an overflow crowd for the session. Insurance is a strange business, Mr. White said. Insured accepts the contract because of his faith in the agent. If the agent doesn't sell the proper contract, then he is selling out the whole insurance business.

Be Friend to Customer

The agent must tell his insurance story with vigor, yet stop short of high pressuring an insured into buying what he doesn't need, he said. "Be a friend to your customer," Mr. White urged. "The more you can get him to share his problems with you, the more you can serve him through insurance."

There has been too much talk during the war about manpower and womanpower and too little of brain power, Mr. McCleary asserted. The public knows little about insurance. It is, he said, no longer enough to sell policies, the agent must also sell the significance of insurance.

Good public relations, he indicated, consists of dealing successfully with individuals' problems as they arise. He cited HOLC's insistence on just enough fire insurance to cover its equity plus 50% windstorm. Although it was almost impossible to change a contract to fire and extended coverage, clients blamed the agents. It was a public relations job to tell clients the truth of the matter at renewal time, he said.

U. & O. Continues Pay Checks

Mr. McCleary wondered how many employees know that when an agent sells the employer use and occupancy the employer is guaranteeing the continuance of their pay checks. He suggested that the "Saturday Evening Post" editorial of last year on the War Damage Corporation, very commendatory of the insurance business, offered a public relations opportunity which the agents largely missed.

He cited the success of a two-day town inspection in Springfield, in which the agents relieved the chamber of commerce of sponsorship, and which after 45 days of preparation and advertising produced extremely good results. The agents at Springfield, he said, have a program for group effort which will take up preservation of valuable public records, safety where people congregate, the auto finance problem, etc.

Arthur M. O'Connell of Cincinnati described the work of the Cincinnati Fire Underwriters Association on fire prevention.

Hale Presents Reasoned Views of Current Problems

COLUMBUS — Forthright and closely reasoned comments on current problems facing the industry were made in his talk Tuesday afternoon before the Ohio Association of Insurance Agents here by Clayton G. Hale of Cleveland, association trustee.

Mr. Hale said he opposes a constitutional amendment to settle the question of federal vs. state regulation on the same grounds that he opposed writing into the U. S. constitution an exemption of the Pullman sleeping car business from the nation's trust laws. He said that he had not actively supported the Bailey-Walter bill because of the way it was originated "and because it is too much like signing a blank check for continuing without remedy some shortcomings we know exist." However, he declared, "I propose to support it actively if a fourth term is voted in November because I lack confidence in the fairness of the present administration towards business." The best leadership in the situation must come from independent insurance thinkers and from the state insurance commissioners, he said.

The agents should support adequate staffing and compensation for the state department of insurance, Mr. Hale said. He favors continuation of state supervision because among other reasons any Ohio citizen can get an immediate audience with the superintendent by simply asking for it.

Real Point in Hurricane Dispute

Mr. Hale said that while the September hurricane along the Atlantic coast in connection with which Governor Edge of New Jersey made some pointed remarks relative to windstorm insurance exclusions relating to rising water, while not particularly an Ohio problem, yet has resulted in Ohio repercussions so far as agents are concerned. Consequently, he said, Ohio agents find themselves obliged to answer questions and criticisms. The same experience followed the 1938 New England storm, he pointed out.

Insurers, agents and brokers, and the insurance press promptly pointed to rather clearly stated policy exclusions and seemed puzzled that anyone could be in doubt about them. However, Mr. Hale pointed out, Governor Edge in speaking for his people seems to feel the language didn't mean what it said, or at least it shouldn't have meant it. The precise point, Mr. Hale said, is that all goods and services carry with them an implied warranty that they are reasonably suited to the purposes intended. These implied warranties, prescribed by law, are the reason for most of the products liability insurance. Governor Edge feels that a windstorm insurance policy, issued to cover water front property, ought to contemplate what wind does to a water front when a wind blows; or it ought not to be sold.

Logic of Matter

"It seems to me that it is proper to exclude the result of rising water causing a house to float away, but perhaps there isn't much difference between wind picking up and throwing a garage against a house, and blowing waves of pounding water against a house," he said. "Especially might this be sensible in the insuring of a pier. To write windstorm insurance on a pier and then say the wind must do the damage all alone and waves must not help raises a rather natural question of whether the windstorm policy may be presumed to be reasonably adequate for the purpose for which

it is sold, no matter how it is worded," he said. The road contractor who puts up a sign saying that "you travel at your own risk" sometimes finds he hasn't actually relieved himself of responsibility by simply saying so. Similarly the restaurant check room which accepts garments and posts a sign saying "not responsible for fire or theft" may find itself accountable even so. So the insurance business issuing windstorm policies on water front property should not be too surprised that a clause excluding wind driven water is not taken very seriously by buyers when they buy or when the loss occurs. "We had better not sell insurance at all, when couched in terms we should know in advance will probably lead to dissatisfaction when the loss occurs," he declared. "Somebody needs to do more thinking about this before another storm arrives."

Countersignature Commissions

Countersigning commissions probably bring more criticism upon resident agents than any other cause and from more directions, Mr. Hale said. Criticism comes from metropolitan brokers, most of the companies, some of the buying public, and some fellow agents, and by a respectable portion of the thoughtful insurance trade press. It is true, he said, that some very awkward illustrations can be cited. The agents are in the doghouse on this point. The whole world is against them, he said. It is not even a comfortable subject to bring up in open meetings, he suggested. He said that he brought it up because Ohioans do not lack courage and because he believes the matter will have to be dealt with either by agents or someone else in a way they might like less. The agents should be thinking about it. When the time comes to deal with the problem, it will turn out, he said, that this is not solely an agency matter, that broker, company and state insurance department practices are involved in it. The doghouse, he said, will prove to be big enough to contain all of them.

He suggested that after the war there is likely to be a free-for-all scramble among national and local finance companies, banks and financing subsidiaries of manufacturers and merchants, and that this rough and tumble will be carried on in the insurance business' backyard. "Be sure that we come out of it with at least enough to re-seed our lawn," he advised.

In No. 2 Spot

Leeds Bronson, the new vice-president of the Ohio agents association, operates an agency under his own name in Hamilton. He graduated from Hamilton high school and from the School of Dentistry of Cincinnati University. He established his agency in 1904.

Mr. Bronson served as secretary and two terms as president of the Hamilton Association of Insurance Agents and on numerous occasions has been a member of the executive board. He served overseas in the former war.



Leeds Bronson

Big Crowd Attends Harmonious, Brisk Business Session

Act on Several Issues; Elect H. T. Minister and Leeds Bronson

NEW OFFICERS ELECTED

President—Harry T. Minister, Columbus.

Vice-president — Leeds Bronson, Hamilton.

State national director—J. F. Van Vechten, Akron.

New trustees—Robert Klie, Columbus; Herbert S. Boynton, Toledo, and Carl A. Gluck, Youngstown.

By KENNETH FORCE

COLUMBUS—A sense of satisfaction at again being an integral part of the National association pervaded the convention of the Ohio Association of Insurance Agents here. There was a



J. F. Van Vechten



H. T. Minister

general disposition to concentrate on other problems, now that the one of re-affiliation with the N.A.I.A. has been settled satisfactorily. It was a harmonious and yet vigorous business gathering.

An unexpectedly large crowd of more than 300 attended the meeting, and there were more than 400 at the banquet.

Resolutions on State Regulation

Two resolutions were adopted relating to state insurance regulation. Both endorse the maintenance of the primary right of states to regulate insurance. One urges strengthening of state regulation and specifically asks the governor and legislature carefully to consider strengthening Ohio insurance laws and more adequately financing the insurance department. The other points out that the public has been well served, insurance costs reduced and contracts broadened under state regulation. Copies will be forwarded to Ohio congressional representatives and senators.

The association in another resolution strongly urged that the autonomy of the three divisions of Factory Insurance Association be maintained. Ohio agents do not go so far as George Carter of Detroit in the resolution adopted by the National association in Milwaukee, in approval of the present setup.

Strong approval of the purposes of the liaison committee between agents and companies was voiced in another

(CONTINUED ON LAST PAGE)

He is chairman of the fire prevention committee of the Hamilton Safety Council and is a member of vestry of Trinity Episcopal Church.

World Needs U. S. Leadership, Elwell Declares

COLUMBUS—"The world wants leadership and it is expecting it from the United States. You have a terrific responsibility," Edward W. Elwell, U. S. manager Royal Exchange, told the Ohio Association of Insurance Agents here. "Never in the history of the world has American prestige stood as high, nor has America had at its disposal so much good will. This should reach a crescendo by the close of the war. I think we would all dislike seeing such a venerable position needlessly thrown away," he said.

Having lived about half his adult life in the U. S. and the other half in England, Mr. Elwell's comments were particularly interesting. Deposing the Kaiser after the last war and telling Germany "you are now a democracy" didn't work. Germans who have emigrated to this country have shown that they can be taught the principles of democracy and to assimilate them and become respected citizens. Mr. Elwell suggests that a university be established in which all German school teachers must be trained in the democratic way of life.

One of the difficulties in achieving a lasting peace is that both Americans and English are not good haters so that as time passes they may become too lenient.

Stalin's dominating position worries some people, Mr. Elwell pointed out, but he feels that after the war Russia will be mainly concerned with reconstruction and domestic development.

The demilitarization of Germany is a complicated problem. Mr. Elwell suggested that Germans be forbidden the ownership of any commercial or military aircraft and that private flying be rigidly forbidden. Check would be maintained on German "tourists" so they couldn't emigrate to other countries and learn to fly.

The best answer to fears that Europe may go communistic after the war, in Mr. Elwell's opinion is that "empty bellies make communists" and that the U. S. is the only country with enough food to prevent Europe from going communistic. If isolationists are going to refuse the charitable part of feeding millions the responsibility for a communistic Europe will be theirs.

Mr. Elwell does not feel that any pretext should be made of trying war criminals because there is no law governing them. He favors including a list of persons to be punished, whether it's 5,000 or 50,000 in an appendix to the peace treaty. "Let us make no bones about it; let us just tell the world that by our conditions of peace we are going to punish those men and do so."

Ohio Casualty Managers Meet

COLUMBUS—The Ohio Casualty & Surety Managers Association held a luncheon here during the convention of the Ohio Association of Insurance Agents. A resolution was adopted authorizing appointment of a committee to cooperate with other associations in promoting the good of the business.

Guests included George F. Ainslie, vice-president of American Surety, New York, and Roy Davis, Chicago, Association of Casualty & Surety Executives.

The next meeting will be Dec. 5.

Refresher Course for Veterans

Ohio State University, it was announced at the convention of the Ohio Association of Insurance Agents in Columbus, will give a refresher course in fire and casualty lines March 19-23 for returned veterans. It will be sponsored by the Ohio association and other interested groups.

Continental Casualty had headquarters with many of the Ohio staff on hand. R. W. Harvey was on hand from the home office.

Complete, Definite Legislative Plan Needed: Scheufler

The proposed legislative specifications on which the National Association of

Insurance Commissioners now is working to meet the problems created by the Supreme Court decision in the S.E. U.A. case must be as complete, definite and all inclusive as possible, Superintendent Scheufler of Missouri declared in his talk at the Tuesday luncheon of the Ohio Association of Insurance Agents. Mr. Scheufler, who was introduced by Superintendent J. Roth Crabbe of Ohio, is chairman of the executive committee of the commissioners' group.

Any piece meal legislation will jeopardize the whole objective of the commissioners and the industry, Mr. Scheufler warned. He expressed confidence that a common front could be established and maintained.

State Law Modification

Certain state laws, he said, may now have to be modified to avoid the charge that they constitute an undue burden on interstate commerce. Just what effect the decision will have on agency qualification laws he said is a question. Some state tax laws may well be in jeopardy, though others likely enough will hold up.

Certainly now is the time, if ever, for a real industry-wide public relations program in insurance, he declared. Everyone, whatever his views, should express himself politically, Mr. Scheufler concluded.



E. L. Scheufler

Sidelights of Ohio Agents' Gathering

The train of Fred A. Moreton, Salt Lake City, who represented the National Association of Insurance Agents at the Ohio agents' meeting in Columbus, and Mrs. Moreton, was 4 1/2 hours late getting into Chicago and the Pennsylvania train waited there for the Moretons eight minutes.

Buckeye Union Casualty was host at a cocktail party with Ira L. Morris, secretary; Frank A. Burgess, treasurer; S. W. Schellenger, sales promotion manager, as hosts, along with A. R. Gibson, vice-president and manager of Buckeye Union Fire.

The Cincinnati Fire Underwriters Association elaborate portfolios of 1943 fire prevention week observances were on display.

Atlee Hites, manager, and Robert J. Mohrhaus, underwriter of General Accident, Columbus, were hosts at their company's headquarters.

George Garner, agency superintendent of Manufacturers Casualty, Philadelphia, attended the convention.

Ralph W. Hukill, Norwood, O., state agent of Great American and past most loyal grand gander of the Blue Goose, and P. Paul Desmond, special agent, who has just been discharged from the navy, represented that group. Robert Boyle of the Midland agency of American Alliance, Cincinnati, was on hand. Wm. O. McClelland, vice-president of American National Fire and Ohio manager of Detroit F. & M., also was on hand, with M. W. Buelow, F. C. Perrin and C. G. Henry.

E. A. Henne, vice-president; J. H. Cryan, assistant farm and hail department manager, and W. J. Speth, Ohio examiner, were on hand for American Fore.

F. H. Witmeyer, vice-president and secretary; John Greenwood, Warren, O., agent, who is vice-president and a director, and Donald P. Littlefield, Wooster, special agent, represented Excelsior.

E. B. Berkeley of Cleveland, past president of the Ohio association, is still ill and could not attend the meeting.

John P. Aikin, who has operated the Aikin agency at Bellefontaine 55 years, attended the meeting only a few weeks before his 81st birthday.

Roy Davis, western manager of the Association of Casualty & Surety Executives, Chicago, was a visitor.

American Automobile held its custom-

arily popular open house with C. H. Sanders, resident vice-president; Geo. W. Talks, vice-president at Cleveland; Lindsay A. Masterson, agency supervisor; Theodore Elswick, claims manager; Gerald Farwick, underwriting superintendent; E. F. Schielcher, special agent; all of Cincinnati; H. W. Donovan, manager, and Otis Skinner, claims manager, Columbus.

John R. Frayer of Hale & Hale, Cleveland, went to the hospital Tuesday for treatment of an injured right hand, caused, he said, when a porcelain faucet handle broke.

Charles W. Hendershot of East Liverpool, retiring trustee, was unable to attend because of illness.

The Emmco companies had headquarters presided over by Thos. F. Shortall, vice-president; Walter C. Cook, state agent, and Wayne C. Collie, special agent. Emmco started acting as host to agents at outstanding football games week before last.

Fidelity & Deposit put a new wrinkle in its own open houses, which featured coffee and doughnuts. Attendants included Frank Roelle, manager at Cincinnati; Carl H. Kuhn, manager at Cleveland; C. T. Herwig and C. C. Laffler, F. & D. distributed newspapers to those attending the convention.

U. S. F. & G. Managers Lee Price, Cincinnati; L. Brent Wood, Cleveland; Louis Payne, Toledo, and M. E. Dudley, Columbus, were hosts at open house and held their customary annual meeting during the convention.

Travelers was represented by O. P. Ruffing, manager Columbus service office, and others.

R. C. McConnell, special representative of Royal-Liverpool, Cleveland, was on hand with other Ohio field men to act as hosts to friends.

Other companies with headquarters included London & Lancashire Indemnity; American of Newark, with Arnold Grasse, brokerage department manager, New York; Phil Johnson, special agent, and others, and John Crowley, vice-president of Bankers Indemnity, Cleveland.

J. C. Hiestand, secretary; D. L. Jones, agency superintendent, and C. E. Curtis, general counsel, represented Ohio Farmers.

At the Hartford companies headquarters C. W. Bradenbaugh, manager of Hartford Accident and Albert Battistone, superintendent, Pittsburgh; Fred I. Sipp, Hartford Fire, Columbus, and W. C. Smith, Ohio special agent of the accident company, were hosts.

George Corby, Cleveland, headed the resolutions committee, and Karl Dakin, Lebanon, nominations.

Moreton Welcomes Ohioans Back; Lauds Liaison Move

Fred A. Moreton, past president of the National Association of Insurance Agents, made the trip to Columbus from Salt Lake City to welcome the Ohio Association of Insurance Agents into the national organization. His talk at the convention luncheon Tuesday was long and loudly applauded. He discussed "In Unity There Is Responsibility."

Credit for formation of the company-agency liaison committee was given to E. B. Berkeley of Cleveland and J. F. Van Vechten of Akron, and Mr. Moreton pointed out that Clayton G. Hale of Cleveland now represents both the Ohio and National associations on that committee.

He said that the Association of Casualty & Surety Executives public and agency relations committee of 15 executives has been designated a liaison committee for the casualty business. This is, he said, an important milestone in agency-company relations.

In commenting on the Supreme Court decision in the S.E.U.A. case, he said that it affects much more than the anti-trust laws and that the decision won't be reversed in many important respects by passage of the Bailey-Walter bill, though there is danger that both the public and Congress will think so.

He called on the Ohio association to contribute its share of national leadership. There are plenty of real problems, he said, in national and state legislation, with new government bureaus, in dealing with companies and company organizations, and for agents in their association with each other.

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—for the untiring service you have given to countless assureds in these chaotic times. Illinois National Casualty congratulates you!

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Get in touch with C. L. Morris, Secretary and General Manager, for information regarding our wartime sales program for live wire agents.

H. B. Bartholf, President

Illinois National Casualty Co.

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EDITORIAL COMMENT

Rate Reductions and the Local Agent

In connection with a number of rate reduction programs recently we have been impressed by the disturbance that has been caused thereby in the agency offices. The problem for the agent is accentuated these days by the fact that he is short handed and the clerical help that he does have may be inexperienced. The routine of his office is upset and he must undertake to make a great number of calculations and see that all of his customers receive the proper credits.

It is obvious that the greater the percentage of the rate reduction the greater is the local agent's problem, because a larger number of policies stand to benefit by cancellation and rewriting. The effect upon the agency forces deserves consideration when a rate reduction program is under discussion. There is probably no dealer organization in the country that is so peculiarly affected by price changes as is the insurance agent because in other fields a price reduction doesn't involve refunds to purchasers prior to the effective date of the change. And not only is this retroactive element costly to the agent but it may involve an enormous amount of paper work that must be done speedily and under pressure. It is worth while, we would say, to make every effort, that is consistent with the public interest, to cause a rate reduction to fall as lightly as possible on the shoulders of the local agency force.

The ideal procedure perhaps would be to make the reductions gradually, perhaps 10% at a time, even though from

the mathematical standpoint a sharper reduction would be in order. A small percentage reduction does not usually call for extensive cancellation and rewriting and can be taken in its stride. Moreover a succession of small rate decreases, we believe, would be preferable from a public relations standpoint to a sharp decrease at one stroke. Not uncommonly, an assured who finds himself presented with a rate reduction of 35 or 40% instead of expressing delight and appreciation becomes incensed and argues that if an insurance company can afford to go down that low they must have been gouging him in the past.

Perhaps in some cases the sharpness of the decreases is due to the fact that the companies have waited too long to make rate adjustments and then had to act under pressure and the decision was a drastic one. At times, of course, in connection with rate regulated lines, the companies must take the verdict of state regulatory officials. But even here we believe that the insurance commissioners might justifiably reckon the consequences to the agency forces and consider the possibility of approving a rate reduction by installments, so to speak.

We don't mean to convey the impression that the public should not receive the rate advantages to which it is entitled but if those advantages can be passed along over the years in such a way as to cushion the shock upon the agency organization public interest will be served as completely as if the reductions are accomplished by drastic steps.

Lessons from Mr. McLennan

Insurance men look sometimes with awe on a masterful figure in their business and count the chasm between him and them as too great a span. They look with an envious eye on his reputation and success but they conclude that they cannot ever reach his heights. However, it often happens that these men who are on the mountain heights are very simple, plain people who travel along a normal course and have no hidden secrets.

For example it is interesting to study some of the sales methods and insurance strategy of the late D. R. McLennan, head of Marsh & McLennan, one of the celebrated insurance firms of the country. Mr. McLennan was a master salesman and insurance counsellor, and yet he did not have what might be called the spectacular qualities of one who attracts public attention. He did

not resort to "pull," to high pressure methods, to bragging about his exploits or what he could do but he proved his capacity and usefulness at the very beginning of the sales interview.

A master in his craft usually knows his business thoroughly. He has at his command a comprehensive knowledge of his kit of tools and is adept in using any of them. He knows how to apply his specialized knowledge, what tools to use for special purposes.

That was Mr. McLennan's chief cause for success. He knew insurance contracts and understood how to fit them to concerns of any size or description. In fact, he was compelled often to master in a way other lines of business in order to select the insurance processes which he believed should be followed. That gave him a splendid knowledge of different lines of endeavor. He

did not follow a hit or miss plan. He studied his subject thoroughly. He thought out every step that should be taken. When he appeared before an executive or board of directors he had his plans perfected. He had a purpose and a reason for what he was doing all along the way. He soon won the confidence of those with whom he was dealing.

Mr. McLennan never used any pressure. He did not attempt to scale the heights or impress people by any emotional or physical or mental gymnastics. He had analyzed his subject from beginning to end. He possessed that very happy faculty of being able to reach the internals of a proposition without great delay. He brushed aside the non-essentials and soon got to the core of the problem he was attempting to solve. He dealt entirely with the factors that were worth while and that had a real bearing on the subject under consideration.

It is true that Mr. McLennan possessed an ingratiating and almost magnetic personality. He did not rely on that innate quality to get business. It is true that it had a part. He was what might be called a "natural salesman." That is, he did not have to study methods out of books. He had a pleasing voice, a glowing personality and charm of manner. That naturally assisted him in his work, but he did not regard it as fundamental. He had a valid reason for everything that he recommended. He did not suggest any additional protection or any contract simply to secure a premium. When he brought in his final analysis there was a practical and sensible reason for everything that he had in his draft. His customers and prospects recognized at once that they were in the presence of a master.

Another feature in Mr. McLennan's favor was his fondness for people as such. It seems to us that insurance men to be successful must like folks. They are selling a peculiar service. It is something that does not come to life until trouble occurs. Therefore it differs from almost every species of product and service. As George W. Carter of Detroit, another great insurance man, recently characterized insurance, it is a "grass roots and homey business."

Therefore an insurance man dealing with customers is considering very intimate relationships, personal and business. Unless a salesman, therefore, has a deep and abiding interest in his customers his lack of sincerity will finally be revealed.

Mr. McLennan in his approaches put himself in the place of his customer. It was not Mr. McLennan dealing for Mr. McLennan but it was Mr. McLennan dealing strictly and earnestly for his customer. He forgot himself and his

own interest but he did sink himself into the life and position of the customer. He had that very essential knack of being able to picture an assured's needs and having in mind the different contracts at his command, then came his ability to reach into his kit and select the ones best adapted to a particular person's needs.

Mr. McLennan's faculty of absorbing knowledge of other lines of business and getting to the heart of other enterprises created a symposium of general knowledge that was most helpful. This enabled him as a director of great corporations to vouchsafe information and advice that a man who had confined himself to but one line could not do. Mr. McLennan had a financial slant in his mental mechanism. That enabled him to solve intricate problems and reach reasonably correct conclusions. His judgment was excellent and his advice was listened to. Undoubtedly Mr. McLennan realized that it pays an insurance agency to deal if possible with the best people who control the best business. He did not make a show of entertainment or cultivation. His work was done diplomatically, sincerely and forthrightly. He won friends and customers because they believed in him and relied on his judgment. He was "the insurance man" to many corporations and other assured.

As an illustration of Mr. McLennan's method we might mention the fact that some years ago he thought that the Palmer House in Chicago should carry \$750,000 earthquake insurance. In preparing his arguments he had consulted some of the best scientists in the country as to seismic disturbances, getting at the causes, the probabilities of earthquake particularly throughout the central west. He had a comprehensive survey of the situation, the best that could be gotten. A brief with the opinions of the scientists was prepared. He used this in connection with his approach to the Palmer House people and also it was just as valuable when it came to getting companies to participate in handling the line.

PERSONALS

Over the years National Underwriter editors have sent hundreds of proofs back to the linotype to change "four" to "fore" in referring to **America Fore group**. In view of this it is interesting to note that in America Fore group's popular directory published in connection with the annual meeting of the National Association of Insurance Agents in Milwaukee, four members of that group were identified as being with "America Four."

T. Magill Patterson was honored at a testimonial dinner by his associates in Philadelphia upon his retirement as sec-

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retary of Pennsylvania Fire and local secretary of the North British & Mercantile group. C. F. Shallcross, president of Pennsylvania, was toastmaster, and also present from the head office in New York were Vice-presidents G. H. Duxbury, J. L. Mylod and R. P. Stockham; Secretary R. T. Stewart and General Agent E. A. Merkl of the Middle Department, and F. W. Rutherford, assistant secretary. Mr. Patterson was presented a console radio from associates and friends in the Philadelphia office.

Mr. Patterson was born in Armstrong county, attended Grove City College, then went with the Board of Fire Underwriters of Pittsburgh and then with National Union Fire as Pittsburgh special agent. Later he joined Girard F. & M. as special agent in western Pennsylvania and became assistant secretary. He went with Pennsylvania Fire in 1916 as assistant secretary and became secretary in a year. When Pennsylvania became associated with the North British group, Mr. Patterson was placed in charge of the operation of the entire fleet in the Philadelphia area, a responsibility which he has had for 28 years. He is a past vice-chairman of the Philadelphia Fire Underwriters Association and a director of the Philadelphia Fire Insurance Patrol.

Earl Sanborn, agency superintendent of Great American in the western department, is at St. Luke's Hospital, Chicago, suffering from coronary thrombosis.

R. W. Hukill of Norwood, Ohio state agent for Great American, took a few days off to visit his daughter, Margaret Ann Hukill, who is a junior at the University of Wisconsin, and he timed the trip so as to be able to see the Wisconsin-Ohio State football game. Miss Hukill is taking a course in medical therapy.

Paul Hardesty and Ed Hilton of the U. S. Chamber of Commerce insurance department went to New York this week to attend the chamber's special aviation insurance committee. Mr. Hardesty was also to attend the National Health Advisory Council meeting Friday.

A. G. Smith, chief engineer at the head office of Travelers Fire, has returned from a field trip to Minnesota and to Chicago.

Fred A. Hubbard, president of Hanover Fire, is visiting the western department offices in Chicago this week.

M. O. Stout, deputy superintendent of the district of Columbia department, is hospitalized for a surgical operation. He has charge of operations of the new D. C. fire rating bureau, under supervision of Superintendent Jordan.

American Eagle. He was a former Minnesota field man. He bought a home at Hartford and took great pride in landscaping the surroundings. The property is now owned by Mrs. Pat McGovern.

Carl A. Pieper, Berwyn, Ill., broker, died from a fractured skull following a fall from a ladder at his home Sunday. A tree limb obscured the view from his home and he was seeking to trim the foliage. Mr. Pieper was 44. A son is a private in the army stationed in New Guinea.

Richard Wood, head of the Fairbanks Insurance Agency, Fairbanks, Alaska, was suffocated while trying to escape from his burning home.

James C. Clements, 75, Rochester, N. Y., local agent, died there after an illness of several months. Mr. Clements opened his agency in 1896 after 11 years in a bank there. His son, H. Everest Clements, became associated with him in 1933.

Fred Happel, 81, Milwaukee local agent for 30 years, died at his home there. He was active in business up to the time of his death.

Asa B. Mathis, secretary of the Indiana Farmers Mutual, died in Indianapolis.

Mrs. Jane Blackburn, wife of W. J. Blackburn, president of the Utah Association of Insurance Agents, died at Ogden, Utah, following a brief illness.

Chauncey S. Harmon, 39, intermountain department superintendent of claims of Northwestern Mutual Fire and Northwest Casualty, died in Salt Lake City from virus pneumonia. He was formerly in the claims department of Fidelity & Casualty in Los Angeles and Salt Lake City. He joined Northwestern Mutual Fire in 1942.

Ben F. Haskins, 58, associated with his brother, C. D. Haskins, in a Union City, Tenn., agency since 1930, died there following an illness of two years.

Col. Ernest S. Olmsted, 70, veteran Des Moines local agent, died at Iowa Methodist Hospital from uremia. He was the father of Col. George and Fred Olmsted, both prominent Des Moines insurance men. George is on leave of absence as vice-president of Hawkeye Casualty and it is believed he is overseas. Fred is a past president of the Des Moines Association of Insurance Agents, president of Pioneer National Casualty and head of Olmsted, Inc.

The father founded the agency of Olmsted, Inc., in 1918 and served as president until 1933 when he was elected Polk county auditor. After serving three terms he returned to the insurance business until a year ago when he retired because of ill health. He saw service in the Spanish-American war and the first world war, rising to lieutenant-colonel.

Frank Fassold died at Portland, Ore., Oct. 12. He was born May 13, 1877, in Indiana. He served as state agent of Milwaukee Mechanics in Indiana, Ohio, Michigan and Illinois. From 1917 to

1920 he was superintendent of the Milwaukee Board and acted as secretary and treasurer of the Wisconsin Association of Insurance Agents. In 1920 he became state agent of the New Brunswick and New Jersey, in Wisconsin and Minnesota. He was past most loyal gander of the Indiana Blue Goose. Later he became a local agent at Colorado Springs, Colo.

James L. Youmans, vice-president of the E. K. Schultz & Co. agency of Philadelphia, died at his home in North Philadelphia at the age of 41. He was born in Camden, N. J., and entered the fire insurance business in 1918 at the home office of Camden Fire. He joined Fire Association's home office in the underwriting department, and became associated with E. K. Schultz & Co. in 1925, first as underwriter and later as special agent in eastern Pennsylvania and New Jersey. Mr. Youmans was transferred to Pittsburgh in 1932 in charge of western Pennsylvania and Maryland and in 1933 returned to Phila-

delphia in charge of the automobile and inland marine departments. He was elected secretary in 1936 and vice-president in 1939.

Among those who attended the funeral were C. D. McVay and J. C. Hiestand of Ohio Farmers and W. S. Whitford and L. B. Menner of Millers National, two companies the agency had represented as general agent in the east for more than 30 years.

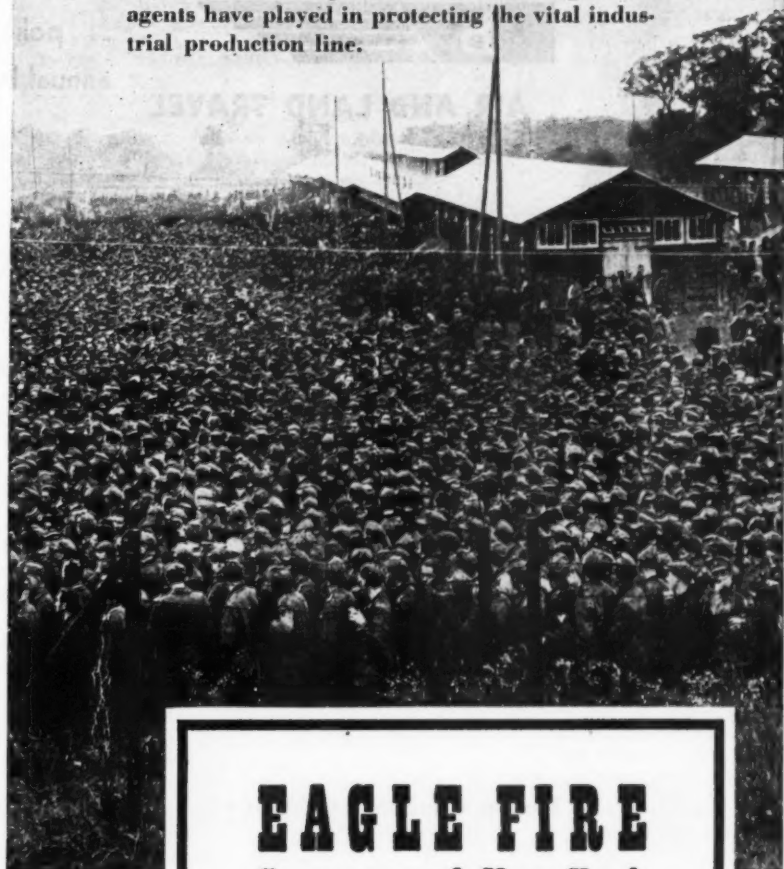
John H. McMillan, 75, chairman of Cargill, Inc., Minneapolis, one of the nation's largest grain firms, and a director of Millers National, is dead.

W. G. White of Dayton, O., special agent of London & Lancashire, died Oct. 15 at his home. He had been with the company for more than 25 years. He started with London & Lancashire as special agent when the late John A. Hoover of Dayton was state agent.

Harve J. McRoberts, 86, former Stanford, Ky., postmaster and local agent there, died at a hospital in Stanford.

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DEATHS

Mrs. Alfred Stinson, widow of the late vice-president and manager of Automobile of Hartford, died the other day. The Stinsons lived in Evanston, Ill., while Mr. Stinson was western manager of

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Disabled Veterans' Auto Insurance Being Studied

Minimum Requirements, Tests to Employ Now Being Formulated

NEW YORK—The problem which companies face in insuring cars driven by war veterans who have been disabled to an extent that might interfere with their driving should be materially helped by studies that are in progress in various quarters. In addition to insurers, the situation is of vital interest to safety educators, motor vehicle commissioners and the automobile manufacturers.

While the injured veteran's situation has given an impetus to intensive studies in this field, the solution of the problem will have an even wider effect among non-war casualties, for even in wartime the occurrence of these outnumbers war-caused disabilities by at least three to one.

Must Gauge Needed Skills

Obviously the most important first step is to determine the minimum physical capacities and skills needed by a driver to operate a car with safety to himself and to others on the highway. Then there must be devised the simplest practicable tests for determining whether a person meets these minimum requirements. If motor vehicle commissioners are to be in a position to resist sentimental and political pressure for allowing men to drive even though they are a danger to themselves and others there has to be a better standard than somebody's judgment to insure that all qualified drivers are permitted to drive while all those who are not qualified because of physical handicaps are not permitted to operate a car.

One of the outstanding research projects in this field is being conducted by J. D. Elkow at New York University Center for Safety Education, which is under the direction of Dr. H. J. Stack. Mr. Elkow is making his study in connection with his doctor of philosophy dissertation. Mr. Elkow's research is confined to orthopedic disabilities, that is those involving the bones or muscles, which include injuries such as amputations and the effects of paralyzing illnesses. It includes all disabilities except those due to tuberculosis, heart disorders, psychoneuroses, and eye or ear injuries.

Should Be No Problem

Once the objective standards for the measurement of orthopedic disabilities are developed and testing procedures worked out which are susceptible of general use, the physically handicapped driver should be no problem from an insurance standpoint. It is the usual experience that disabled persons are more considerate of the safety of their fellows than the general run of people. Knowing what it is to be disabled, they are particularly careful to avoid injuring others. They are also acutely aware that if they should be involved in an accident they will probably be blamed for it on account of their disability even though the disability did not contribute at all to the accident.

All states' motor vehicle departments keep records of accidents from which could be determined the accident record

(CONTINUED ON PAGE 26)

Accident-Health Builds for Future

Possibilities Told to Producers at Conference of New York Club

The importance of accident and health insurance to the personal producer, both because of its position as a primary coverage and the fact that it is the best door opener for other lines of insurance, was emphasized by Walter W. Canner, assistant manager of Travelers' 55 John street office, in addressing the accident and health sales conference sponsored by the New York Accident & Health Club. He cited an actual case showing the development of an extended insurance program as the result of an initial sale of a rather small accident policy and quoted the policyholder as saying that he regards accident insurance as the form of coverage which he values most highly.

"I realized, when I was flat on my back," this purchaser said, "how important income replacement was to a man and his family. I am rather proud of my insurance setup; it takes income to pay the premiums. Disability protects that income, and so I have felt that it also insures my entire insurance program."

Build Clients for Future

In building for the future, Mr. Canner said, it is necessary to meet new people and cultivate as many as possible into valuable clients. The book-keeper or promising clerk of today may be vice-president or president of his company tomorrow. The best way to follow along with him is on the avenue marked "accident and health." Mr. Canner's subject was "Mr. Producer, Going My Way?" and he told those attending the conference: "If there is any question as to your direction and preparation for the future, it is well for you to think seriously about 'going our way.'"

He took up the problem of prospecting in New York City, where the producer sees many thousands of people every day, but all of them are strangers. "We must find a way to meet people," he said. "We must seek out these people by presenting to them a product that is necessary and has a definite appeal to the purchaser."

Answer to Prospecting Problem

He listed three important reasons why accident and health insurance has proved so successful in solving the producer's prospecting problem: (1) "Everybody is a prospect." (2) This coverage appeals to a selfish interest of man and represents primary protection. (3) You can tell your story effectively, logically, convincingly and completely, and not take more than six minutes. It is a line of action."

He declared that after the war accident and health insurance, the fastest growing casualty line, will enjoy a tremendous growth and contribute even more generously to the success of commissioned men. He said there is definite proof of the popularity and appreciation on the part of the buying public of the necessity of adequate disability protection. He predicted that the companies will adopt an even more aggressive and courageous underwriting policy, which will broaden the field. Furthermore, there is an increased interest on the part of producers in writing personal accident and health insurance, which he regards as most important.

(CONTINUED ON PAGE 28)

Suit Against Kemper Comes at Strategic Moment Politically

NEW YORK—Featured prominently on its political page, the New York "Times" carried a story stating that James S. Kemper, financial chairman of the Republican national committee, was charged in a policyholders' suit in federal court in Brooklyn with administering the affairs of Lumbermen's Mutual Casualty "for the personal enrichment of himself, his relatives and friends."

The plaintiff tried to have Mr. Kemper served at Republican campaign headquarters in the Roosevelt Hotel here but he had left for Boston. Whatever the motive for bringing the action, it obviously comes at a time when it would logically have the greatest value as a political maneuver.

Brooklynite Is Plaintiff

The plaintiff is Dr. Eugene Koster, Brooklyn dentist and a policyholder of Lumbermen's. The causes of action stated include an allegation that Mr. Kemper in 1942 received in the form of bonuses and other compensation \$251,543, an increase of 235% over the preceding year. It is contended that the 1942 salaries of other managing executives in comparable positions were not substantially increased over those of the previous year except for promotions. The suit also alleges that the 1942 increase in Mr. Kemper's salary was not disclosed to Lumbermen's policyholders either in the notices of the meeting or in the annual reports sent out by the company.

Other causes of action in the suit include an allegation that James S. Kemper & Co.'s stock was placed in the hands of Mr. Kemper, family members, friends, associates or agents and employees of Mr. Kemper's, and that Lumbermen's itself could have done the work for which it paid Kemper & Co. and that Lumbermen's, which had acquired considerable American Motorists stock, disposed of more than 15,000 shares to relatives or associates of Mr. Kemper at \$144,956 less than the stock's liquidating value.

Kemper Reply

H. G. Kemper, the executive vice-president of Lumbermen's Mutual Casualty, American Motorists and National Retailers Mutual, who was in Boston, released the following statement with respect to the action brought by a policyholder of Lumbermen's on Saturday of last week.

"It is apparent from the fact that the action against Mr. James S. Kemper was taken little more than two weeks before the election that the genesis of the suit is entirely political. This further is confirmed by the fact that the matters complained of relate largely to situations which date back respectively nine and 18 years. The political bias further is emphasized by the fact that no attempt was made to serve Mr. Kemper at the New York office of our company, but only at Republican headquarters."

"The charge that Mr. Kemper's salary was increased 235% in 1942 over 1941 is false. There has been no change in his salary since 1935 and there has been no change in the officers' bonus plan during that period which would, in any way, increase the rate of Mr. Kemper's compensation."

"The claim that James S. Kemper & Co. 'handles the work of Lumbermen's' is untrue. Kemper & Co. did administer the management functions of Lumbermen's in the early years of the company. That arrangement, however, was

(CONTINUED ON PAGE 28)

Compensation Stop Loss, Waiver Plans Outlawed in Texas

All Agreements but Standard Retrospective Plans Prohibited

AUSTIN, TEX.—After almost a year's consideration, the Texas insurance department has prohibited all variations of the standard workmen's compensation retrospective rating plans, including insurance covering waiver of retrospective surcharge, cost-plus plans and special agreements between carriers and assured. Participating companies are also required to file their dividend schedules on all workmen's compensation plans with the department before Jan. 1.

The order, which was signed by Casualty Commissioner J. P. Gibbs, calls for a hearing here Nov. 14, at which anyone affected by the order may state his protest.

Very Exhaustive Order

Commissioner Gibbs' order, which occupies 18 mimeographed pages, does not mince words, using the expression "deals" and quoting from special contracts and from letters from companies, though the name of the company is removed in each case. The order takes the position that all such arrangements violate the principle of retrospective rating and amount either to unfair discrimination between assured or avoidance of the prohibition of self-insurance in the Texas law.

The order states that the subject was first considered at a hearing Nov. 10, 1943, following which the department submitted 22 questions to the attorney-general, as to its legal authority over rate problems of this type. In a 22-page opinion, W. J. R. King, assistant attorney-general, held that the department has authority to regulate or prohibit these practices, on the theory that the rate structure and the solvency of companies may be endangered by these deviations, that the department is charged with keeping rates non-discriminatory and that many of these plans may open the possibility of injured workmen being uncompensated.

Specific Prohibitions

Specifically, Mr. Gibbs' order prohibits waiver of the retrospective surcharge, stop-loss plans, and any plan or agreement not specifically authorized by the department and orders that all carriers writing participating coverage file their dividend plans in complete detail, including level dividend rates, sliding scales, dividend plans by or for groups and any other formula. Approval for all participating plans now in effect is withdrawn as of Jan. 1, no participating plan may be used after that date without approval of the department and any carrier desiring to change its dividend plan must first secure approval of the department.

The order specifically refers to "solicitation" of insurance under any plan, as well as writing of the coverage.

Supreme Court Denies Review

WASHINGTON — Before recessing until Nov. 6, the U. S. Supreme Court Monday denied petition for certiorari in No. 232, Puerto Rico Cement Corporation vs. Royal Indemnity.

Estimate Cleveland Insurance Loss at \$3 Million

(CONTINUED FROM PAGE 1)

ance will come into play in the area where companies not damaged were forced to shut down by order of civil authorities as a safety measure. Others shut down in whole or in part by direct fire damage or lack of gas will be directly affected.

The cooperation of the entire insurance fraternity in this great disaster is notable. Adjustment companies and independent adjusters prepared immediately to handle the burden of claims. Western Adjustment, for instance, went so far as to set up special service quarters on St. Clair avenue in the fire zone and brought in half a dozen more adjusters to meet the anticipated need. Claims, however, were slow in coming in, due in part to the shock the people sustained and in part to the long search for bodies, and the closing off of the disaster zone. Monday was the first day that adjusters could enter the territory, and the zone was again closed on Tuesday while the remaining liquid gas in tanks still standing was drained off to prevent further disaster.

The East Ohio Gas Co. lent its own facilities to the cause, and set up its own claim bureau in its downtown office building. All having claims were asked to report them.

The Ohio division of Insurance set up its own emergency office in the St. Clair avenue bath house in the damaged area, with G. A. Croso in charge. The office offered to answer all questions pertaining to insurance and endeavored to help the stricken people in all possible ways. All having claims were asked to get in touch with the agents who sold the insurance. This suggestion was likewise made by the Cleveland Life Underwriters Association and the Insurance Board of Cleveland. The board offered its services in helping claimants get in touch with their insurance companies in cases where policies were lost or burned.

The Red Cross is in direct charge of rehabilitation and federal authorities are giving special priority to victims seeking homes or materials with which to repair damaged dwellings. The question of rebuilding the immediate damaged area was being considered by city authorities and local committees. In the meantime an ordinance was proposed to city council and referred to committee for action. This ordinance proposed that "tanks for the storage of liquefied gas under pressure shall not be constructed and maintained within the city except on locations approved by the fire chief, building commissioner, and city planning commission. In no event shall they be located nearer than 2,000 feet of an inhabited dwelling nor 1,500 feet of public highway, railroad store, workshop or factory."

DEATHS NOW OVER 200

As of Monday, the number of lives lost in the fire was estimated at 204, some 111 bodies having been recovered and 101 persons reported missing, some of which were undoubtedly among the unidentified dead already found.

Reports show that nearly 100 homes were totally destroyed and many other dwellings were seriously damaged, so that nearly 1,000 persons were rendered homeless. Many of the homes were two and four-family units. The majority of houses in the area were old, wood-frame structures.

The fire, as near as can be determined at this time, started on Friday, Oct. 20, at 2:40 p. m. when one of the four liquid storage tanks of the East Ohio Gas Company blew up. Immediately the area was turned into an inferno which was wafted southward and over a big area from East 55th street to East 63rd street and beyond, and from the New York Central tracks to St. Clair avenue. Streets most

affected were East 61st, East 62nd, East 63rd, Carry avenue, and Lake Court, but with East 55th and St. Clair avenue also suffering considerable damage. All of the East Ohio Gas Company's No. 2 works immediately to the east of the gas storage tanks were destroyed.

Out of a total of three spherical and one cylindrical tanks for the storage of liquid gas, two exploded and burned. It is believed that the first to go was a spherical tank and that this was followed by the large adjoining cylindrical tank. The gas burned high into the air and mushroomed out over a big surrounding area with such intense heat that people were burned blocks away. Explosions helped to spread the flames rapidly, and people ran for their lives without hope of saving personal belongings. Even the streets buckled in places from the intense heat and manhole covers were blown into the air. Many people were caught in their dwellings and had no time to get out after the flames enveloped them. The loss of life in the East Ohio Gas Co. buildings was heavy.

Hundreds of automobiles in parking lots were enveloped and destroyed before they could be moved.

Investigating the cause of the disaster are the F.B.I., the East Ohio Gas Co., the city of Cleveland, and numerous other organizations representing military and civilian forces. Mayor Lausche picked outstanding engineers and chemists to serve on his committee with city authorities.

RELIEF AGENCIES TAXED

The Red Cross, Coast Guard, Ohio National Guard, Civilian Defense, Nurse Aids, Civil Air Patrol and other groups were called upon to aid the Cleveland fire and police departments. Public buildings were commandeered to house the homeless and to serve as emergency depots. Hospitals were taxed to capacity by the injured.

The entire area was blocked off as a danger zone, patrolled by the emergency troops and police. While Red Cross and various city and government agencies tackled the problem of rehabilitation, the Federal Reserve Bank, local bar associations, and other organizations lent a helping hand. Services of the Federal Reserve Bank were offered in the matter of reclaiming lost money which went through the fire in safe boxes, getting war bonds straightened out, and in similar matters. The Cleveland Bar Association and Cuyahoga Bar Association started a program to help facilitate adjustment and to aid the victims wherever possible.

Because of the danger to surrounding areas, many plants within six or seven blocks of the fire zone were closed on the day of the fire and some remained closed Saturday morning for lack of gas, the supply having been cut off. Hundreds of people in an adjoining area were evacuated from their homes for two days.

Cause of Fire Uncertain

There has been no satisfying explanation of the cause of the fire advanced so far. According to one newspaper account either an explosion scattered the liquid contents of one or two tanks over a wide area and the liquid, upon vaporizing, became ignited; or the liquid gas in some manner leaked out of one of the tanks and, upon contact with the air, gradually began to vaporize, forming a combustible mixture which then exploded.

In its liquid state, the gas will not burn but its exposure to the air would tend to create a vapor. Virtually all of those who could have been in a position to give expert testimony either were killed in the fire or were running for

their lives and had no opportunity to make observations.

No liquefying or vaporizing processes were under way at the time of the explosion.

Considerable interest is displayed in the fact that two of the spherical liquid gas tanks that were in the line were undamaged and a holder tank partly full of gas in its natural state did not become ignited although flames raged all around it.

There seemed to be some evidence that the liquid gas spread throughout the neighborhood and this may have preceded the explosions. The released liquid flowed along the curbs and gutters and into catch basins thus getting underground and spreading through sewers over a large area. While it was spreading the liquid was vaporizing and becoming mixed with air, forming combustible mixtures which exploded from time to time for hours afterward.

Description of Plant

According to an article in a recent edition of the "Oil & Gas Journal," the plant of the East Ohio Gas Company for liquefaction of natural gas and storing it in liquid form for regasifying and distribution when needed is the only one of its kind in the world. It was installed in 1941.

The gas, stored in liquid form, occupies only 1/600 of the space required in low pressure holders. It is liquefied by a combination of refrigeration and compression. The gas is first compressed to about 600 pounds, cooled to about -130°F. by ethylene and ammonia and then allowed to expand suddenly to a pressure of about three pounds. Sudden expansion in heavily insulated vessels drops the temperature to -237°F. and, according to the article, storage can be effected for a prolonged period without building up high pressures.

The Cleveland plant, it is stated, had a liquefying capacity of 4 million cubic feet of gas per day and regasifying capacity of 70 million cubic feet.

Removing Moisture

The plant consisted of apparatus to remove all moisture and carbon dioxide from natural gas; six gas engines having a total of 3400 rated h.p. which supplied the power for compressing the natural gas and ammonia and ethylene used as refrigerants; four tanks well insulated for storing; three steam heated tube-type special heat exchangers used to regasify.

Three of the tanks each consisted of two concentric spheres. The inner sphere was 57 feet in diameter and the outer 63 feet. Between them was 36 inches of space filled with cork insulation. Each sphere held liquid gas to the equivalent of 50 million cubic feet of natural gas. The cubical content of the inner sphere was 97,000 cubic feet.

The fourth holder and one of those that was destroyed consisted of two vertical cylinders. The inner one had a diameter of 70 feet and a height of 43 feet. There were three feet between the cylinders packed with rock wool insulation. This holder contained the equivalent of 90 million cubic feet of natural gas and its cubical content was 176,000 cubic feet.

The operation required 20 million Btu's per 1 million cubic feet of gas to return the gas to a gaseous state. There was required 2200 boiler h.p. to supply sufficient steam.

The cost of the plant was \$1,700,000.

Explanation of Builder

W. E. Steinwedell, president Gas Machinery Company, Cleveland, who built the liquefying plant, gave a paper on liquefaction, storage and regasification of natural gas for peak loads at a meeting in 1942 arranged by the gas, fuels and combustion engineering section of the Western Society of Engineers.

He stated that after considerable laboratory and research work a pilot plant was erected in 1939 and successfully operated for several months. The first practical application of the method was made at Cleveland.

He stated that the natural gas to be liquefied enters the plant from the city high pressure lines at 30 pounds gauge pressure and is compressed by a 600 horse power gas engine compressor to 600 pounds gauge pressure. Any traces of compressor cylinder oil are then removed by means of activated alumina. The carbon dioxide is next removed by scrubbing with mono-ethanolamine and diethylene glycol and the last traces of moisture are removed by an activated device designed for continuous operation.

The gas is now cooled at 600 pounds pressure by means of an ethylene condenser in which the gas passes through tubes surrounded by boiling ethylene. This cools the gas to -126° at which temperature it is reduced to a liquid. This liquid then passes into a horizontal surge tank, kept half full by a suitable overflow arrangement. Any gases not liquefied at this temperature and pressure are led off into the engine fuel line.

After further chilling of the liquid in two flash gas heat exchangers to -139° it passes through a first expansion valve into a vertical primary liquid tank at a pressure of 55 pounds gauge which causes the temperature to drop to -218°. In this pressure release, part of the liquid is vaporized or flashed back into gas, and this cold flash gas returns through heat exchangers to cool liquefied gas, ethylene and ammonia. It is then recompressed by an 800 horse power engine to 600 pounds gauge and entrained cylinder oil is removed and it is reprocessed into a liquid.

The liquid from the primary liquid tank passes through a second expansion valve into the main storage tanks at a pressure of five pounds gauge which causes the temperature to drop to about -250°.

Cooled to 600 Pounds

A small amount of the liquid vaporizes and goes back through flash gas heat exchangers to be recompressed and is reliquefied after being cleaned of any cylinder oil.

The ethylene used for cooling the gas after compression and the ammonia used for cooling the ethylene are contained in closed circuits. In 1942 the three spherical storage tanks were in operation but work on the cylindrical tanks had just been started. The inner spheres of the cylindrical tanks, the speaker said, are made of a special steel having .09% carbon and 3.5% nickel contents and are entirely of arc-welded construction.

The regasification equipment consists of three pumps, which raise the pressure of the liquid in the tanks to that sufficient to force it through the three live-steam liquid-gas heaters against the 30 pounds gauge pressure carried in the city high pressure mains. The cool gas from the regasification unit goes to a heater, using exhaust steam from the pumping equipment, for the purpose of raising the gas temperature to about 50°.

On Oct. 16, the new liberal dwelling form was introduced in Ohio. The question may arise in connection with the adjustment of dwelling losses at Cleveland whether its provisions shall be applicable to existing policies. This will be a matter for each individual company to decide. Particularly the question may arise as to whether rent coverage shall be granted.

Loss to New York Central Railroad property in the Cleveland fire is estimated at about \$100,000. The insurance is carried by the Railroad Insurance Association.

Lt. Com. Larry James of the U. S. Coast Guard Reserve, in civilian life a partner in the Cleveland agency of James & Manchester, was in command of a coast guard hose line credited with stopping the fire from spreading to valuable industrial property on the west end of the conflagration area.

Hines Praises Insurer Stand

Commends Attitude of Casualty Companies Toward Disabled Veterans

Brig. Gen. Frank T. Hines, administrator of veteran affairs, highly commends the attitude of the insurance industry toward employment of disabled war veterans, and he enunciates a six-point program for job adjustment of the disabled in the November issue of the "Casualty and Surety Journal," official publication of the Association of Casualty & Surety Executives.

Considered the government's leading authority on employment of disabled veterans, Brig. Gen. Hines in addition to being the administrator of veteran affairs is also administrator of retraining and reemployment, office of war mobilization.

Views Clarified

"The policy and practice of the members of the Association of Casualty & Surety Executives not to advise employers against the employment of disabled persons has recently been made very clear," Gen. Hines states, and points out that insurance companies are aware of the excellent accident record of disabled persons.

"This emphasis upon the risk standing of the disabled should do away with the notion prevalent in certain quarters that companies influence employers in the selection of workers and advise them against the employment of disabled persons because of the likelihood that the employment of the disabled will result in an increase in cost to the employer."

Gen. Hines also stresses the value of studies now being conducted under a grant from the association by the Center for Safety Education at New York University. "One of the values which will grow out of this study," he writes, "will be a body of scientific information generally which will aid in the adjustment of the disabled in industry and business."

Militate Against Injured

"Workmen's compensation laws in many states which were established for the protection of the worker often militate against him if he is disabled," he says. "The employer of a handicapped person is penalized in some states. Over half the states have already amended their laws to take care of the problem of compensating the handicapped worker without placing undue burden on the last employer who, if the individual should lose a second arm, for instance, would be liable, under the old laws, not for the loss of a limb, but for the total disability of the worker."

Six Point Program

Six points are cited by Gen. Hines as being necessary to the successful adjustment of the disabled to employment:

1. An adequate retraining program to remove the handicap and make the individual fully employable in a selected occupation particularly suitable to his pattern of abilities and disabilities after training.
2. Realization on the part of employers that the requirements of jobs are specific and that the disabled person may be just as efficient as one who is not disabled in a job especially selected for him.
3. Preparation on the part of industry for the employment of the disabled through plant surveys and job studies from the point of view of the physical demands of the different types of work.
4. Realization of the psychological problems of the disabled and the development of helpful attitudes in relation to them.
5. Removal of all legal barriers un-

21 U. S. Agencies Planning to Launch Traffic Safety Campaign to Public

WASHINGTON—Office of War Information, in collaboration with 21 other federal agencies, is reported preparing to launch a public information program to fight waste through accident prevention, with major emphasis on traffic safety. The idea is to save manpower, automobiles, doctors' and nurses' time, hospital space, as well as finances of accident victims.

Safe driving practices will be driven home to the public through use of newspapers, magazines, radio and outdoor advertising, according to report.

Collaborating with OWI in this campaign are:

American Red Cross, Department of Agriculture, Department of the Interior, Department of Labor, Federal Interdepartmental Safety Council, Federal Security Agency, U. S. Public Health Service, Office of Vocational Rehabilitation, U. S. Office of Education, Food and Drug Administration, Social Security Board, Federal Works Agency, Interstate Commerce Commission, Navy Department, Office of Civilian Defense, Office of Defense Transportation, Public Roads Administration, War Department Safety Council, War Manpower Commission, War Production Board and the U. S. Maritime Commission.

Boost Illinois Taxi Rates 15%

A 15% rate increase on taxi business in Illinois as filed by Citizens Casualty and Manhattan Mutual has been approved by the insurance department. War conditions, including depreciated equipment and unusually heavy taxi traffic in areas where there are war industries or heavy concentrations of army or navy personnel were held responsible for the increased losses which made the rate advance necessary. The two companies write over 95% of the taxi business in Illinois, which is \$2,500 public liability per cab required by state statute.

American Underwriters Dividend

Superintendent Crabbe of Ohio is preparing to pay an additional 50% liquidating dividend to the holders of general claims against American Underwriters Mutual Casualty of Cincinnati. This will bring to 90% the total dividends paid on claims of \$84,823 allowed.

Owen Independent Adjuster

LOS ANGELES—E. L. Owen, special agent of United Pacific traveling San Diego, Orange and Imperial counties, has resigned and entered the independent adjusting field associated with Wesley Heil at El Centro, Cal.

To Continue as Eckert & Peterson

Following the death of Walter H. Eckert of the Chicago insurance law firm of Eckert & Peterson, Abe R. Peterson, Tom Leeming, William U. Bardwell, Owen Rall, Henry P. C. W. Barber, Walter W. Ross, Jr., and Tim G. Lowry have formed a partnership and will continue the firm under the name of Eckert & Peterson. Mr. Lowry has just been detached from duty as a lieutenant in the U. S. N. R.

George F. Manzelmann, president North American Accident, and Mrs. Manzelmann are in San Francisco looking after their foster son, Arthur Carlson, who was wounded at the battle of Tinian and had to have his leg amputated. He has been in a hospital at San Francisco but has been spending the last few days with Mr. and Mrs. Manzelmann at their hotel.

necessarily militating against the employment of the disabled.

6. Encouragement of scientific attitudes and humane procedures.

"If we are to do justice to our war disabled, these points must be constantly reiterated until they become our habit of thinking," he concludes.

Union Is Policyholder in Industry-Wide Group Plans

NEW YORK—Completion of industry-wide group insurance programs in the fur and leather industry and in the furniture manufacturing field marks what is believed to be an important new development in group insurance. So far as is known, it is the first time that a group insurance program has been written on a union as part of a collective bargaining agreement, with the employers paying the entire cost, the union as the policyholder, and the coverage underwritten by major insurance companies.

This type of plan goes beyond the trusted plans where the insured is an employers' association in that it takes care of situations where employers do not belong to an association and individual employers do not have enough employees to be eligible for group insurance. From a life company standpoint the new development is of particular interest because it offers a way for the unions to meet their insurance needs in fields where there are many small employers without resorting to the formation of their own insurance companies, as done by the Amalgamated Clothing Workers of America. It is also preferable to operating through an employers' association that is set up merely to handle group insurance and has no other reason for existence.

Each Local Has Policy

The agreements which have just been concluded cover the International Fur and Leather Workers Union and the United Furniture Workers Union. Under these plans, each local of the union will have its own policy. The insurance for the first locals covered by the agreement is being underwritten by Prudential, John Hancock Mutual, and Associated Hospital Service of New York City. It is expected that other interested insurance companies will participate in underwriting other locals.

Martin E. Segal, president of the Trade Union Agency of New York City, which acted as group insurance consultant, said that these unions have many agreements with employers who have fewer than 50 employees and ordinarily would be unable to get group insurance benefits. However, with the union as the policyholder all employees are covered regardless of the size of the shop or plant. This means that many thousands of workers and their families who could not get the benefits of a comprehensive group program are now covered. There are about 180,000 members in the two unions and the collective bargaining agreements with insurance provisions have already been concluded for approximately 5,200 members.

Provisions of Policies

The contract of the furniture workers provides for \$1,000 of life insurance, \$1,000 of accidental death and dismemberment coverage, accident and sickness, hospitalization, and surgical benefits. The insurance in the fur and leather workers union will vary in different areas, but basically all areas will provide death benefits, disability benefits, hospitalization insurance and surgical benefits.

Preferred to Own Plan

Many employers have hailed the group insurance provision in the union's collective bargaining agreement as "a step forward in genuine labor management cooperation for the best interest of all." For example, B. J. Goodman, president of the Fur Dyers Guild, congratulated the union board on arranging the plan and said that "we are pleased that our payments to your fund enable you to provide the membership with this kind of insurance, and we feel that it will make closer relations between employer and employee. I am sure that this is a big step forward and will lead

to many other pleasant relations between employer and employee."

William Infeld, president of the Industrial Fur Dyeing and Blending Company, said in a letter to the union that he was in the midst of negotiating a group plan for his employees when the union presented its general plan for the entire industry, "which to my mind was more important and more to the direct benefit of your members than my individual plan. I wholeheartedly agree that there is a direct necessity for this group plan and feel that the leadership of your organization deserves commendation for its farsightedness and progressiveness."

News of the plan has aroused widespread interest among group insurance executives and the progress and experience of this type of setup is certain to be followed attentively. Mr. Segal pointed out that the unions' recognition of the fact that companies can supply their insurance needs is a very sound development and that it would be wise for the insurance companies to recognize that union insurance written by group writing companies is good business. It is particularly important today, when there is the money to pay for these plans, that they be sold.

Incidentally, this program was set up in cooperation with the employers' insurance representatives and it is the Trade Union Agency's intention to continue this procedure on all phases of the plan.

If the employer has any doubt that the money he pays the union is to be used for group insurance premiums, this is taken care of by the monthly account which the union supplies to the employer. This shows the amount of premiums received, the amount disbursed for claims and the amount of expenses. This arrangement is provided for in the contract between the employer and the union. The account is certified by a C.P.A. and the books are at all times open to the employer.

Favors Mileage Rating System

Speaking before 700 agents of Lumbermen's Mutual Casualty at Boston, Roger Kenney, insurance editor of the "United States Investor," called for a scrapping of the zone plan of figuring rates under the Massachusetts compulsory automobile liability law, and its replacement with a mileage rating system.

Discusses Law of Averages

Irving J. Maurer, assistant secretary Farmers Mutual Automobile discussed the "Magic of Averages" at a meeting of Lodi, Wis., Rotarians.

Life, possession of property, operation of automobile involve financial risks and gambles to the individual, but when pooled the uncertainties are insulated against financial loss by the magic of averages, Mr. Maurer said. In late years the principle has been applied to activities besides insurance, and Mr. Maurer declared in post-war times there will be a broadening of the principle into social fields both by private industry and government, as exemplified by social security plans already in operation.

E. W. Sawyer to Speak

E. W. Sawyer, counsel of the National Bureau of Casualty & Surety Underwriters, will speak at the Oct. 27 meeting of the Richmond County (N. Y.) Association of Local Agents on comprehensive personal liability.

Missouri Hearing Nov. 21

JEFFERSON CITY, MO.—Superintendent Scheuffer has tentatively set Nov. 21, 1 p. m., for a public hearing on proposed revisions in the workmen's compensation rates.

ACCIDENT AND HEALTH

Equitable Society Makes Changes in Group Hospital, Group A. & H. Forms

Equitable Society is offering a new plan of group accident and health and hospital expense insurance, as an alternate to the older standard plan, to meet more adequately special charges made by hospitals. It provides the same room and board benefits but under it benefits are payable after confinement in a hospital for at least six hours due to surgical operation or emergency care for accidental bodily injury, or for at least 18 hours when due to other bodily injury or sickness. Fees for operating room and anesthetics are covered up to five times the room and board benefit, with the same amount for other charges made by the hospital except nurses' and physicians' fees.

Maternity benefits will be the same as under the standard plan. Minimum rates for the alternate plan are slightly higher than for the standard plan.

Some changes in underwriting rules become effective Nov. 1. Premiums for

coverage of other than male white employees are increased in certain cases. In 16 states group hospital expense premiums for textile groups are increased 15% and group accident and health 40%.

Employees who are not working on the basis of a full scheduled work-week or who are not regular employees working at least 32 hours weekly for the employer will be excluded hereafter. For group hospital expense a three months probationary period will be required for both original employees (except in certain circumstances) and new employees.

General Accident Issues Selective Accident Form

A new selective accident policy which is a departure from the usual form of personal accident insurance policy, is announced by General Accident. The new policy, insuring against accidental bodily injuries, may be issued to provide weekly indemnity for total disability alone or in combination with other available optional coverages. The appli-

cant selects only the coverage he needs. Each item of coverage is rated separately.

Weekly indemnity for total disability is payable from the first day for the entire period that the insured is disabled from performing "his" occupation up to the time that he actually engages in a gainful occupation. In the event of loss of limbs or sight, the insured is entitled to receive the weekly indemnity as long as he is totally disabled or he may, within 90 days of the date of the loss, elect to receive a payment in one sum according to the schedule in the policy, plus weekly indemnity to the date of loss. There is also a schedule of elective indemnities for named fractures and dislocations. These elective indemnities for dismemberment and loss of sight and for named fractures and dislocations are included as part of the total disability provision.

Optional coverage provisions are (a) partial disability, payable at 50% of the rate for total disability up to 52 weeks; (b) principal sum for accidental loss of life; (c) double indemnity for specified accidents, applicable to weekly indemnity for total or partial disability and principal sum for loss of life; (d) blanket medical expense indemnity for hospital charges, nurses, fees, and medical and surgical treatment; (e) specified hospital or nurse indemnity providing a specified daily indemnity for hospital confinement up to 90 days or graduate nurse attendance up to 30 days; (f) specified surgical indemnity providing stated amounts for surgical operations according to the schedule in the policy and including reimbursement of doctors' bills for treatment of non-disabling injuries. There is an identification provision; and, at no additional cost, single indemnity coverage under a liberalized air travel clause.

Employed men, ages 18 to 64, and women, ages 18-59, in Classes A, B, C and D are eligible to apply for this policy. It is not available in Massachusetts.

Launch National A. & H. Finance Drive in Chicago

Chicago participation in the drive to put the National Association of Accident & Health Underwriters on a better financial basis and thus make possible a broadening and expansion of its work was assured by the action taken at the October meeting of the Chicago Accident & Health Association, following a forceful presentation by E. H. Mueller of Milwaukee, chairman of the planning committee of the National association, of the objectives of the campaign and the work which his committee has done so far. C. Truman Redfield, Mutual Benefit Health & Accident, and Charles H. Davis, Pacific Mutual Life, both former presidents of the Chicago association, were named co-chairmen of the committee which will conduct the drive in that city.

Mr. Mueller said that all of the members of the National association believe in having a strong association, but the trouble is that they have done nothing about it. He emphasized the fact that after seven years of talking about it, a plan now has been evolved and while it may not be perfect, it offers a basis upon which to build. He admitted that there are evils in the accident and health business and said that there were also in life insurance until the National Association of Life Underwriters became strong enough to take corrective action. He said that a man will take more interest in his trade association if he puts more into it. The Milwaukee association recently decided to increase its dues, prompted by the action of the life underwriters association there, which increased its dues very materially and found that thereafter it had a much larger attendance and greater interest in its meetings than it had had before.

He listed the results obtained in some of the associations where active solicitation has been conducted. In Milwaukee there were 14 contributors, with \$527.50 in cash on the line; Madison, Wis., 10,

running from \$5 to \$50; Oklahoma City, three, for \$155; Seattle, eight, for \$365; Cleveland, 10, for \$270. In addition, miscellaneous checks totaling almost \$2,000 have been received.

Mr. Mueller emphasized that not a penny of the money thus subscribed is being used for the expense of the campaign.

Kentucky Central L. & A. Plans 25% Capital Increase

Directors of Kentucky Central Life & Accident have recommended a 25% stock dividend, which would increase its capital from \$400,000 to \$500,000. Two-thirds of the stock must approve the dividend plan. The company is planning to enter several additional states, one of which requires such life companies to have capital of not less than \$500,000.

It has just entered Delaware, its sixth state, the others being Kentucky, Indiana, West Virginia, Pennsylvania and Ohio, and expects to enter three or four more states by the first of the year.

E. H. O'Connor in Wichita

E. H. O'Connor, executive secretary Insurance Economics Society, Chicago, addressed a special breakfast meeting of the Wichita Association of Accident & Health Underwriters on "Security by Fiat." Plans for a fall outing at the country home of C. M. Andrews, Monarch Investment Co., are being considered.

Dean Stephens Okla. Speaker

Roger L. Stephens, dean of the Oklahoma City law school, will address the Oklahoma Accident & Health Association Oct. 26 on "Points in Insurance Law That the Soliciting Agent Should Know."

Frederic P. G. Lattner has been released from active duty in the navy and returned to his former position as executive director of Hospital Service of Iowa. He had been with the bureau of naval personnel in Washington, D. C., with the rank of lieutenant since December, 1942.

Security Indemnity of South Carolina has changed its name to Guardian Life & Hospital Aid. New interests have obtained control and the home office has been moved to Greenville. It is an industrial accident and health insurer.

SURETY

Surety People Seek Pre-War Conditions

The fidelity and surety committee of the National Association of Insurance Agents hopes to get the business back on a prewar basis as soon as conditions will warrant. Just now the government contract bond business is tied up with the army and navy, both of which have been able to bring about some compromises that the agents hope will not prevail when the war is over. Most of the agents favor a \$1 rate in contract bond enterprises, both private and public. It is felt that if this rate will prevail it will likely result in far more private business being secured. Many of the architects now shy at the \$1.50 rate who might be favorable to the \$1 rate.

Some of the agents are trying to get the companies to include bank loans unpaid in the bond but the objection to this was that it is a banking factor and not a surety one. However, there is more insistence that labor and materials unpaid be covered. That is the case now in government contracts and agents hope that it will carry over.

Speed Warner of Kansas City, Mo., is chairman of the fidelity and surety committee and presented its report at the

Rendering a CLAIM SERVICE that reflects credit upon its Agents



FULL COVERAGE AUTOMOBILE
SPECIAL AUTOMOBILE ACCIDENT

FIDELITY & SURETY BONDS

PLATE GLASS—LIABILITY

COMPENSATION

BURGLARY



Capital	Surplus	Assets
\$1,200,000.00	\$3,000,000.00	\$13,230,148.23

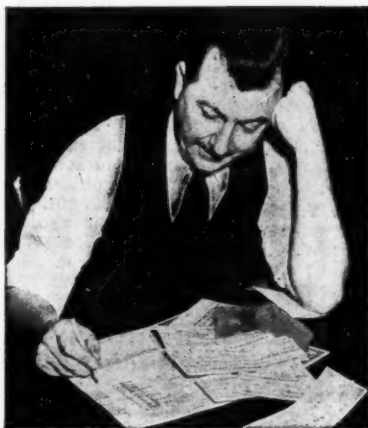
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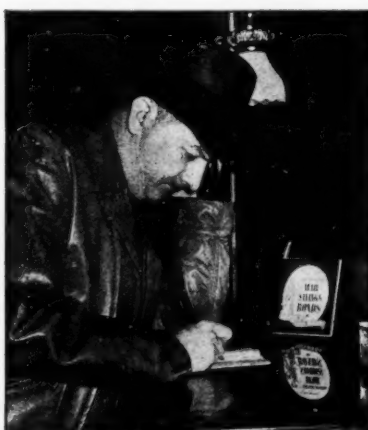


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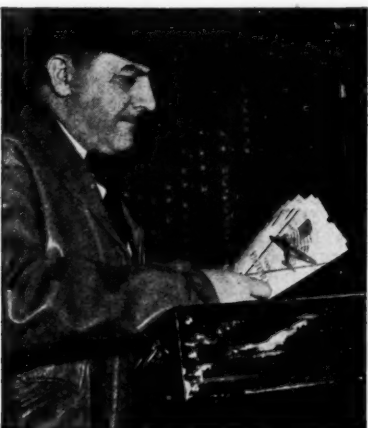
If You Had to Raise \$958.72 to Pay Doctors' and Hospital Bills Where Would You Find the \$958.72?



Have you enough in your checking account?



Could you get it out of the savings bank?



Could you raise it by selling your War Bonds?

SUPPOSE you, your wife or your child were injured in an accident and after you, she or he were well on the road to recovery, you found yourself facing \$958.72 in doctors', hospital and nursing bills, where would you find the \$958.72?

Have you this much in your checking account?

Could you draw it out of your savings account?

Could you raise it by selling your war Bonds?

Could you put a second mortgage on your home or put up collateral for a loan at the bank?

Or, have you Travelers Accident Insurance on every member of your family eligible for such protection, which would pay all expenses arising out of an accidental injury up to a limit of \$1,000 per person?

Having some member of your family hospitalized by an accidental injury gives you plenty to worry about without the additional worries of how to raise the money to pay the bills. Freedom from that source of worry at such times is alone worth its low cost.

THE TRAVELERS INSURANCE COMPANY

HARTFORD, CONNECTICUT



Would you have to make a loan at the bank?



Or, have you Travelers Accident Insurance on your whole family?

Milwaukee convention of the National Association of Insurance Agents. He has been an active factor also in the National Association of Surety Bond Producers. There was considerable sentiment prevailing that the latter organization might disband and all hands unite in the National Association of Insurance Agents, whose fidelity and surety committee has been much more militant lately.

The general agents and producers were willing to accede to the demands during the war but they are hoping that the former conditions will again prevail with some changes that undoubtedly will have to be made. They are urging that the former commission schedules be restored.

Takes Issue to High Court

WASHINGTON — National Surety has petitioned the Supreme Court to review judgment of the fifth circuit court in a case against the United States arising out of a government suit to recover \$1,000 on bond given for Georgias Pateras, shipmaster, against whom a \$1,000 fine had been administratively imposed on account of desertion of an alien member of his crew, and which had been sustained by the courts.

National Surety states questions involved include: whether surety on a bond to secure clearance of a vessel of the principal, pending determination of liability of the principal for an immigration fine, may invoke defense of the principal in an action against the surety where the principal was not made a party, whether notice to detain an alien seaman under executive order 8429 can be invoked for a fine under immigration law, notwithstanding that law did not grant authority to the President to issue orders and regulations; whether a boarding inspector, as distinguished from an immigration officer in charge at the port of arrival, can issue a valid notice of detention as a basis for fine under immigration law.

The company contends the fifth circuit

court decision conflicts with decisions of other courts in holding that defenses available to the principal are not available to his surety. The validity of the executive order, detention notice and fine are disputed.

Big Coast Construction Bond

LOS ANGELES — Morrison-Knudson Co., Ford J. Gwaits Co. and Benjamin J. Gerwig jointly have been awarded the contract for the construction of a new naval supply depot near Stockton, Cal., at the low bid of \$10,395,189.

Bond will be executed by Fidelity & Deposit, Pacific Indemnity and U. S. F. & G.

ASSOCIATIONS

Dallas Claim Men Run Into Friday, the 13th: New Officers

The Dallas Claim Men's Association had its regular meeting scheduled for Friday, Oct. 13. Notices of the meeting were not sent out in time by the mailing service so that only 13 were present and the luncheon deficit was \$13.

The new officers are E. Y. Robb, Dallas Power & Light Co., president; L. E. McGee, Safety Casualty, and J. E. Hall, Jr., Maryland Casualty, vice-presidents; Hugh Gossett, Employers Casualty, secretary-treasurer, and executive committee, Willard Brown, General of Texas; T. H. Lewis, Trinity Universal, and Leavitt Dearborn, Liberty Mutual.

Detroit Adjusters Hear Talk on Comprehensive

DETROIT — The introduction of comprehensive personal liability insurance was the most forward step taken by the companies in many years, J. R.

Barrett, agency supervisor of Fidelity & Casualty, told the Detroit Adjusters Association at the first fall dinner meeting, with William Smith, Lumbermen's Mutual, presiding, and 60 in attendance.

Before the introduction of this type of coverage, the companies had set their sights at selling the business man liability coverage for his business exposures, but now his personal needs as well may be covered quickly and adequately in a broad policy also, Mr. Barrett said. Since every individual is a prospect, the potential market is almost limitless and without a doubt the volume of this business will grow by leaps and bounds. With this increased tempo of sales will come increasing problems in connection with adjustment of claims under these policies. He advised the adjusters to study the coverage carefully and to be prepared for many claims under this broad cover.

Buffalo Club Elects Officers

At a meeting of the Casualty & Surety Club of Buffalo, N. Y., new officers were elected: Andrew Soder, Fidelity & Deposit, president; W. T. Kimberly, Rumsey, Read & Kimberly, vice-president; A. F. Dow, Hartford Accident, secretary-treasurer; directors, W. J. King, National Surety, and P. J. Eichner, Smith, Davis & Co.

Ia. Commissioner Is Speaker

DES MOINES — Commissioner Fischer spoke before the Des Moines Casualty & Surety Club, discussing the U. S. Supreme Court decision and legislation that might come before the next session of the Iowa legislature.

Large Crowd at K. C. Luncheon

More than 100 turned out at the special meeting of the Casualty & Surety Underwriters Association of Kansas City last Friday noon, where J. C. O'Connor, Chicago, editor "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER, discussed developments and trends in the casualty business. O. R. Leeds, manager U. S. F. & G., vice-president of the group, presided because Cliff Johnston, president, was held up by an important appointment, and introduced the speaker, but Mr. Johnston arrived before the meeting was over. A number of guests were present, including two home office officials, L. V. Irvine of the Travelers field service department, and W. H. Riley, agency supervisor American Surety.

CHANGES

Cross Iowa Claim Head: Kennedy to Rochester Post

Indemnity of North America has established a branch claim division at Des Moines in charge of Russell S. Cross. It is located in the Fleming building and it will handle claims for the entire state of Iowa. Mr. Cross holds a doctor's degree from Iowa State College and was a high school instructor for a time before joining the claim department of Indemnity of North America at Chicago 17 years ago. He has been located there ever since.

William H. Kennedy has been appointed superintendent of the claim division of Indemnity of North America at Rochester, N. Y. He succeeds A. E. Busselle, who has resigned. Mr. Kennedy was superintendent at Albany for a time and for the past year has been in charge of brokerage claims at the New York City office.

Dunphy to Md. Casualty

Leo J. Dunphy who has just been discharged from the navy, has joined the Los Angeles office of Maryland Casualty as an underwriter in the bonding department. Before entering the

navy he was at the home office of Continental Casualty in Chicago.

Lewis Joins Thieme-Morris

Ralph C. Lewis, who has been underwriter and special agent of United Pacific in Seattle, has resigned to join Thieme-Morris, Inc., Seattle local agency. He started with United Pacific in 1940. The Thieme-Morris agency is one of the oldest in the state, dating from 1888.

COMPANIES

Employers Reinsurance Shows Nine-Month Gains

Employers Reinsurance reports a sharp increase in premiums written, assets and surplus for the nine months ended Sept. 30. Premiums written totaled \$5,637,204, compared with \$4,019,518 a year ago. Income from investments totaled \$333,272 against \$264,797.

Assets Sept. 30 were at a new high of \$26,206,779, against \$23,834,696 the first of the year. Voluntary special reserve rose to \$4,394,805, an increase of \$756,484 this year. Loss reserves are \$8,616,147, up \$331,155.

Coal Operators 5% Dividend

Coal Operators Casualty has declared a dividend of 5% of premiums on Kentucky, Pennsylvania, Tennessee and Virginia coal mining policies that went into effect during the policy year 1943 and continued in force until expiration this year.

Devise Tests for Skill of War-Disabled Drivers

(CONTINUED FROM PAGE 21)

of handicapped drivers. The most elaborate job of analysis in this field, according to Dr. Stack, has been made by the Connecticut motor vehicle department. It shows that licensed drivers who are disabled have driving records that are as good as or better than the non-disabled. These Connecticut drivers include not only orthopedic disabilities but also those with defective sight or hearing.

TEST PROCEDURE

From automobile manufacturers and through tests, Mr. Elkow has obtained reliable data on the amount of pulling or pushing power that a driver must be able to exert with each hand and foot. Also the minimum number of seconds that he must be able to exert this force in order to operate a car safely. The greatest pressure that is called for is in applying the foot brake. The clutch requires considerably less pressure.

The testing apparatus which Mr. Elkow developed measures the force which the driver is capable of exerting in pushing the brake pedal, the clutch pedal, swinging the steering wheel in either direction with either hand, and applying the emergency brake. It measures the reaction time required between the instant a red light flashes on the instrument board to the driver's following through with the indicated response. The apparatus is also arranged to test the driver's quickness in selecting and performing the correct one of several possible actions. This is a more valuable index of his ability to meet actual situations encountered in driving than the mere measurement of the time required to perform an action which he knows beforehand is to be required.

Hopes for Simpler Tests

The testing apparatus which Mr. Elkow uses is complicated and expensive and would not be practicable for gen-

Insurance salesmen get around— hear a lot of stories!



★ Here's a wartime job we all can do. It's simply this: Be a rumor-warden. Every time you hear a story that sounds like it originated in Mr. Goebbel's Berlin lie machine, squelch it then and there.

Urge whoever repeated the bit of rumor, "hot tip" or "they say" variety of story not to pass it on. Insurance men make a wide variety of contacts among men in all lines of business. If all of us keep our ears open for stories which might in any way benefit our enemies, and stop those stories from spreading, we can do a great service for our country.

R. N. CRAWFORD & CO., Inc.

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Headquarters for "OUT-OF-THE ORDINARY" Contracts

eral use in the testing of handicapped drivers and applicants for drivers' licenses. However, Mr. Elkow hopes, by means of minimum physical standards and determination of the basic skills that are essential to safe driving to evolve much simpler tests which will be sufficiently accurate and yet lend themselves to use in the many localities where drivers are tested.

As part of his research Mr. Elkow is in the process of testing several hundred persons from the Institute for the Crippled & Disabled in New York City. As a result of these tests it is possible to say whether a person is unable to drive on account of physical handicap; whether he can drive the standard car without any special gadgets, despite his disability; or whether he can drive only if certain devices are added to the car, as for example a booster brake for the man who cannot exert the necessary pedal pressure. Assisting Mr. Elkow by validating the results of his tests is a jury of experts in driving. Mr. Elkow's approach to the problem of the disabled driver, in accord with a basic principle of rehabilitation, is that where possible the driver should use a standard model car without special devices. Since the latter might make it difficult or impossible for other members of his family to drive the car, use of the standard model is better for all concerned.

Automatic Gear Shifts

One encouraging factor is the probability that many postwar cars will have some sort of automatic gear shift arrangement. Several makers put out cars with this feature just prior to the war in their immediate pre-war models. Such an automobile can be operated by a man with one arm and one leg without special devices.

Though regarded as a last resort, there are quite a few special mechanisms that can be fitted to a car to help the disabled driver. The booster brake already mentioned, takes care of the man who cannot exert the full brake pedal pressure that may be required. For a man with one leg operating a car not equipped with an automatic gear shift a bar connecting the clutch and brake pedals so they operate as one has been used but many safety authorities do not think highly of it. The bar has been criticised as causing undue wear on the clutch throwout bearing, resulting in expensive repair jobs, and also as taking away the safety element of keeping the car in gear while applying the brake.

Other Studies of Problem

Studies of the disabled driver problem are being conducted by a committee of the American Association of Motor Vehicle Administrators and by the Society of Automotive Engineers. Obviously the automobile manufacturers will welcome a means of determining in advance whether a prospective buyer, who is disabled, is going to be permitted to drive or not. Standardized tests will enable such drivers to learn first whether they possess the minimum requirements and if not, how their deficiencies can be corrected.

The army is doing a great deal of work on teaching crippled veterans to drive. Most of this is being done at the amputation centers at Percy Jones General Hospital in Battle Creek, Mich., and Walter Reed Hospital in Washington. At Battle Creek a car is used which has various devices to enable disabled drivers of different types of disability to operate a car safely.

Thus far no type of test has been devised which is of any value in determining whether the person having a neuropsychiatric disability is or is not capable of operating a car safely. As far as the war's effect on the number of such casualties is concerned, there is probably no added driver problem in respect of psychoneurotics whose condition was merely discovered and labeled by army or navy doctors and the patients given a medical discharge. However, men who have cracked up mentally or emotionally in military

service may present something of a problem for licensing authorities if the condition is not obviously bad enough to justify them the right to drive.

Rhode Island Agents Elect C. I. Fisher

(CONTINUED FROM PAGE 1)

loss occurring involving two companies one under item one and one under item

three the assured might ask each company to divide the loss or go to just one for payment. Optional coverage is not intended to be excess insurance. The assured has the right to decide how he will use the optional coverage, in the opinion of Mr. Clarke. No endorsement changing the sense of the form is to be placed on it but endorsements adding coverage may be used.

How Field & Cowles, Boston, solved the automobile finance problem by working with the First National Bank of Malden was described by Henry J. Lonergan, manager of that agency's

automobile department. In three years the arrangement resulted in over \$1,000,000 in loans with only \$3 loss to the bank. Once a person uses this agency-bank arrangement in financing automobile purchase, he always continues to use the plan on other loans.

Must Advertise Freely

An agency planning to promote this finance plan must advertise freely that it is prepared to handle the financing. Policy and letter head stickers should be used freely, Mr. Lonergan said. The real secret of success for the plan is



B-29 Superfortress—Official U. S. Army Air Force Photo

PROTECTION

that promotes real Security

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BURGLARY, ROBBERY, FORGERY
AND GLASS INSURANCE**



FIDELITY AND DEPOSIT COMPANY

of Maryland . . . Baltimore, Md.

WITH WHICH IS AFFILIATED THE AMERICAN BONDING COMPANY OF BALTIMORE

the careful selection of credit risks by the agents and brokers. The insurance premium is included in the loan and the payment is sent to the agency at the same time loan on the car is made.

The bankers' viewpoint on the automobile finance plan of Field & Cowles was presented by Herbert Borggren, trust officer of the Malden First National Bank. He urged study of used car financing as well as new car financing by agencies and banks.

Governor McGrath of Rhode Island in his banquet talk said that he and Governor Wills of Vermont were the only governors who were members of their state associations. He said he has been happy to keep his promise to appoint a man familiar with the insurance business to the office of insurance commissioner in the person of J. Austin Carroll. Governor McGrath urged the insurance agents to seek again the passage of the agency qualification bill they are backing and predicted that it would have a better chance of passage in the next legislature. He pledged his own aid in promoting its passage.

Agency Responsibility Stressed

Serious illness prevented the appearance of William Leslie, manager National Bureau of Casualty & Surety Underwriters. Mr. Leslie is still in the hospital. His place on the program was taken by A. E. Spottke, manager of the bureau's automobile division.

Agency responsibility was stressed by W. Ray Thomas, Pittsburgh, new National association president. Each agent should ask himself: "How do you stand in your community?" "Do you know and understand the insurance business well enough to sell and serve the buyers without excessive help from the outside?" He pictured the coming meeting of agents and company executives as a landmark in the insurance business.

Wallace Rodgers, executive assistant National Association of Insurance Agents, described the development and

promotion of the National association's public relations program. He estimated annual sales made by members of the National association as \$1.5 billion. This is \$200,000 more than annual sales of all drug stores in the country, he said.

A special vote of thanks was given Henry Davis for his five years' service as state national director. President Walter R. Johnson presided at the business meeting and banquet. Carlton I. Fisher was chairman of the afternoon session.

President-elect Fisher has long been active in association affairs, serving as chairman of the educational and agency qualification committees. His work in Rhode Island in promoting education, and qualification laws led to his selection to serve on the same committees of the National association. He is now teaching the general principles of insurance as an extension course lecturer for the Rhode Island State College. He advances to the presidency from the office of vice-president. In 1918 Mr. Fisher, when 14 years old, began working for the George L. & H. J. Gross agency, of which he is now a vice-president.

Accident-Health Is Best Way to Build for Future

(CONTINUED FROM PAGE 21)

Mr. Canner also took up and answered some of the objections which brokers have offered to writing accident and health business.

The other speaker, P. C. Magnus, president of the essential oil firm of Magnus, Maybe & Renard and former president of the New York Board of Trade, emphasized the importance to insurance men, as to all other business men, of continuing to support actively the private enterprise system. H. M. George of U. S. F. & G. conducted the open forum.

Some concern was expressed about the danger of group accident and health programs supplanting personal accident and health insurance but it was brought out that personal policies are usually for higher amounts and that group policies usually have their greatest appeal for those in the lower income brackets.

F. N. Dull, vice-president of Continental Casualty and honorary chairman of the conference, opened the meeting. G. C. Hamlin, U. S. F. & G., sales congress chairman, introduced the speakers.

GOP Finance Chief Is Named in Law Suit

(CONTINUED FROM PAGE 21)

discontinued at Mr. Kemper's request in 1935, nine years ago.

"Originally, Lumbermens owned all of the stock of American Motorists Insurance Company. The sale of a portion of that stock to others was the re-

sult of a recommendation made to Lumbermens by the then superintendent of insurance of the state of New York. This sale was made at a price determined by independent appraisers and made the Lumbermens a profit and not a loss.

"In 1942 Lumbermens retired the entire amount of its debenture issue of \$200,000. At that time, in recognition of the confidence which debenture holders had evidenced in the company, they were given the privilege of reinvesting the proceeds in stock of the American Motorists Insurance Company or in debentures of the National Retailers Mutual Insurance Company, or in a combination of the two. They also were given the option of receiving any portion, or all of the amount due them in cash. The Lumbermens not only sustained no loss on this exchange, but have made a substantial profit on the American Motorists Insurance Company stock and some profit on the National Retailers debentures.

"The indication that National Retailers debentures are worth 200% of par value is interesting, but anything but conclusive in view of the fact that debentures are callable on 30 days notice at any time at \$102 and accrued interest. Actually the call price always has determined the market price.

"Regrettably the defendant is without means of preventing fanciful charges being made in a law suit. A trial of this case as soon as it can be brought to trial will show that every charge is baseless and that every financial transaction the company has engaged in since the first day of its organization reflects nothing but credit on the management."

Medical Indemnity Insurer Urged

COLUMBUS—The Ohio Medical Association Council's committee on medical service plans has recommended organization of a stock insurance company to write medical coverage on a cash indemnity basis. If the proposal is accepted, the committee recommends close cooperation with the Ohio Blue Cross plans in sale of the insurance.

Globe Advances John Little

Globe Indemnity has transferred John Little, who has been a special agent in the Newark office for several years, to the home office. After a few weeks at the home office he will travel as a special representative, covering the entire country with the exception of the Pacific coast.

Ray Holt, Los Angeles manager of Eagle Indemnity, is in the hospital at Fresno in serious condition as the result of an automobile collision near that city. The car in which he, Lawrence Green, representative of the company at Fresno, and two other men were riding collided with another car at a blind intersection. Mr. Holt sustained fractured ribs and pelvic bones; Mr. Green had

his right elbow fractured, and one of the other passengers sustained a crushed chest and fractured skull. It is reported at the hospital that Mr. Holt will recover.

Bond Changes on Coast

SAN FRANCISCO—John A. Brophy has been promoted to superintendent and Richard A. Van Horn to assistant superintendent in the San Francisco metropolitan bonding department of Hartford Accident. Mr. Brophy succeeds James A. Smith, who is resigning to become Pacific Coast bonding superintendent of Indemnity of North America.

George F. Doherty, cashier of Fidelity & Casualty, died suddenly at his home in Amityville, L. I., Monday. A native of Scotland, he came to this country as a boy and attended the public schools of Yonkers. He had been with F. & C. 48 years, starting as a young man in the inspection department, where he remained for a number of years as chief clerk. He became assistant cashier and later cashier. Mr. Doherty is survived by his widow, Harriet M., and a son, William, who formerly was in the metropolitan New York office of Fidelity & Casualty and now is in the army in Texas.

V. H. Bartholomew, Chicago manager of Standard Accident, underwent a knee operation at Alexian Brothers Hospital in Chicago. The knee was injured in an accident several weeks ago at his home at Janesville, Wis.

The Insurance Distaff Executive Association of Chicago held its first meeting of the season with the president, Mrs. Kathleen Belcher, presiding. The committees for the year are: Chairman of the board, Miss May Carter, Continental Casualty; membership, Miss Bernice McCormack, America Fore; planning, Miss Bertha Bidwell, W. A. Alexander & Co.; budget & finance, Miss Mary Kelly, Lyman & Richie; publicity, Mrs. E. F. Andrews, Insurance Library, and constitution and by-laws, Miss Mable Hammond. The award, which was offered by the Association, to the high student in the evening classes of the Chicago branch of the Insurance Institute, was presented to John H. McNichols of Aldis & Co.

WANTED

By Texas Branch Office of large Company, two experienced men; one to serve as office underwriter — the other for production and agency work. Both must have first class ability, including comprehensive knowledge of casualty business. Address A-8, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

Casualty claims manager, highly experienced. Must be permanent with post-war future. Address A-7, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

PAYROLL AUDITOR WANTED

Experienced payroll auditor familiar with all casualty lines including workmen's compensation needed for Northwest area. State age, experience and give general qualifications. United Pacific Insurance Company Medical Arts Building Tacoma 1, Washington

EXPERIENCED ADJUSTER

To take charge of sub-claim office of nationally known multiple line stock casualty company. Must be willing to leave Chicago. Address A-18, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

ACCOUNTANT — AUDITOR

Chicago firm of public accountants desires the services of a man with substantial experience as senior accountant in auditing casualty insurance companies. Address A-19, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Des Moines School Board Votes to Increase Cover

DES MOINES—The Des Moines school board voted to purchase \$2,469,274 in fire insurance and \$2,420,854 in windstorm for the three year period starting Nov. 1, with premiums totaling \$11,678. This is a renewal of about one-third of the total insurance carried on the buildings, plus some additional insurance.

Total coverage on buildings is increased to \$5,257,600 from \$5,007,730. Fire insurance on contents will be increased from \$937,670 to \$943,020 and windstorm on contents from \$789,540 to \$794,740.

Increases in insurance on buildings were approved on the recommendation of an engineering committee composed of R. M. Evans, B. C. Hopkins and Nelse Hansen, local agents. The committee recommended increases of 10% in insurance on fire resistive buildings, 12½% on mixed fire resistive and brick, 15% on brick, 17½% on mixed frame and brick and 25% on frame structures. The engineering committee was allocated 42% of the premiums and the other 58% was distributed among 42 other agencies.

Plans About Complete for Illinois Agents Meeting

Plans for the annual meeting of the Illinois Association of Insurance Agents Nov. 9-10 in Rockford are just about complete. The first meeting open to all will be a luncheon Friday, at which Donald K. Weiser, assistant manager of Aetna Casualty and affiliated companies in Chicago, will discuss the comprehensive personal liability policy. He is well known throughout the state to all agents and participated in regional meetings of the Illinois association a few years ago.

A breakfast meeting on fire prevention Friday morning will be addressed by Richard E. Vernor, manager fire prevention department Western Actuarial Bureau, Chicago, past president National Fire Protection Association, past president of Rotary in Chicago and president Greater Chicago Safety Council. His subject is "Out of the Frying Pan."

A well rounded ladies' program is being worked out and complete details will be given later. The chairman of the ladies' entertainment committee is Mrs. Trahern Ogilby, wife of the president of the Rockford association.

On the evening of Nov. 8 at the Faust Hotel, Rockford, Ill., where the Illinois Association of Insurance Agents will have its annual meeting the officers and directors will have a session. The Illinois Blue Goose will hold a dinner and meeting and the women attending the convention will be the guests of the Rockford local board at a dinner. Trahern Ogilby is head of the Rockford association.

Dinner will be served at the Blue Goose meeting and the entertainment will be in charge of J. L. Cassell, London Assurance. E. M. Eichenberger, Joliet, Royal-L. & L. & G., most loyal gander, will preside.

Theft Coverage on Yachts Is Clarified

A. McM. Creed of the Creed & Joy agency, Detroit, takes exception to a reference in an article in the Oct. 19 edition to the effect that hull insurance on yachts covers only total theft. That reference was made in an article allud-

Gregory Has Two Jobs of Secretarial Work

B. G. Gregory, who has been elected executive secretary of the Missouri Association of Insurance Agents, is manager of the St. Louis Board. He attended Mississippi State University and after entering the oil business in Mississippi, Louisiana and Texas he went to St. Louis in 1941. He spent a short time assisting attorneys and then went with the Commercial Rating Company as an investigator. Later he became its manager. Then he was elected vice-president in charge of sales and in February, 1944, general manager. He resigned some weeks ago to succeed J. W. Rodger as manager of the St. Louis Insurance Board.

Howard Luhrman Named Earls-Blain Vice-president

CINCINNATI — Howard Luhrman has been elected vice-president of the Earls-Blain Agency here. He has worked in the office for more than 15 years, starting as office boy and working up to the manager of the automobile and marine department. Officers and employees gave a party in his honor this week.

Walter P. Dolle Is Feted

CINCINNATI — Officers and employees of the Walter P. Dolle agency here gave a luncheon to Mr. Dolle commemorating the fiftieth anniversary in the insurance business. Mr. Dolle came to Cincinnati from Columbus, intending to accept employment with a jewelry wholesale house but instead, became a solicitor for the old O. J. Wiggins agency in 1894. Eight years later he formed an agency under his own name. He opened an office in the Carlisle Block on the site of which the Dixie Terminal Building was later erected and in this latter building the agency maintains its present office.

Group Examinations in Minn.

MINNEAPOLIS—Local boards affiliated with the Minnesota Association of Insurance Agents are cooperating with the insurance department in arranging group agents' examinations. The Duluth Underwriters Association plans a dinner meeting Oct. 30 for discussion of the examination and to go over the questions prepared. This will

ing to the variations in the personal property floater and particularly the feature in the policy of American Automobile Fire covering \$500 theft of equipment and furnishings of boats. Mr. Creed declares that yacht policies on cruisers provide theft coverage against "assailing thieves" which provides reimbursement for theft loss of any part of equipment or furnishings removed from the boat where the element of force is present. On boats of the run-about or speedboat type, he states, it is customary to cover theft of the entire boat only but even here reimbursement will be made to an owner for parts stolen from the boat once the vessel has been taken out of the owner's possession.

Actually, Mr. Creed states, it is the practice of some offices including Creed & Joy, to eliminate the word "assailing" from policies and owners are not restricted in recovery of theft regardless of breaking and entering or other qualifications requiring the element of force.

be followed by a group examination Nov. 17 for all agents in the Duluth area.

At Fairmont, in southern Minnesota, group examinations are being arranged for Nov. 13 and Dec. 11. W. H. Norman of the Fairmont National Agency is making the arrangements.

Wis. Mutual Agents Elect

MILWAUKEE—Roman N. Wagner, Sheboygan, was elected president of the Wisconsin Federation of Insurance Agents at the annual meeting of the mutual group here. He succeeds Joel Sonderquist, Beloit. William Johann, Sheboygan, is vice-president; Harold P. Otten, Milwaukee, secretary-treasurer; E. P. Hocking, Janesville; Frank Mongin, Green Bay; G. E. Possin, Waupun, and Mr. Johann, directors.

Harold Shier of Reitan-Lerdahl & Co., Madison agency, spoke on "Post-War Problems of the Local Agent."

Reelect Milwaukee Officers

MILWAUKEE—T. Z. Clayton, vice-president of Geo. H. Russell & Co., was reelected president of the Milwaukee Board at the annual meeting. Frederick Kasten of Blatz-Kasten & Co., was named vice-president; Joseph G. Grundle, secretary, and George Y. Wilkinson of Myers & Wilkinson, treasurer. New three-year directors are Monroe Porth of Ed. Porth & Sons; Henry W. Marx and A. S. Walsh of Chris. Schroeder & Son. Reports on the recent N.A.I.A. convention were made by Val Gottschalk and W. B. Calhoun.

Du Page County, Ill., Agents Elect

New officers elected by the DuPage County Association of Insurance Agents at the annual meeting are: President, Joseph J. Schuch, Elmhurst, reelected; vice-president, Earl Whidden, Downers Grove; secretary, Otis R. Cushing, Hinsdale; treasurer, Bert Weller, Elmhurst. On the executive committee are J. L. D. Langan, Wheaton, J. H. Wagner, Glen Ellyn, and Seth C. Mayer, Lombard, all of whom were reelected; Edwin W. Chase, Lombard, and Edw. H. Blatter, Villa Park.

Elect in Dodge City Nov. 18

The Dodge City (Kan.) Insurance Board will hold its annual meeting Nov. 18, in connection with a bond meeting sponsored by the Casualty & Surety Underwriters Association of Kansas City, with L. D. Jensen, Fidelity & Deposit, as speaker. Similar meetings have been scheduled for Coffeyville Nov. 8 and Emporia for an unannounced date. Meetings have already been held this fall at Leavenworth, Newton, Salina and Hutchinson.

Discuss New Kansas Forms

At the October meeting of the Hutchinson (Kan.) Insurance Board, N. N. Kline of the Thompson-Kline agency discussed the revised Kansas forms and rules. Student speakers in the school Fire Prevention Week contest were guests. M. W. Webster, McNaghten agency, will report on the Kansas convention at the next meeting.

McClain at South Bend

SOUTH BEND, IND.—Harry E. McClain, executive secretary of the Indiana Association of Insurance Agents, will speak on "Public Relations" at the Nov. 16 meeting of the South Bend-Mishawaka Insurance Exchange.

Gardner Indianapolis President

INDIANAPOLIS—LeRoy G. Gardner was elected president of the Indianapolis Insurance Board at the annual meeting, with E. E. McLaren of Barton, Curle & McLaren as vice-president.

Joseph W. Stickney was reelected secretary-treasurer. Directors for three years are Barrett M. Woodsmall, Myron S. Harlan and Glenn Hoffbauer.

New Council Bluffs Course

COUNCIL BLUFFS, IA. — The Council Bluffs Association of Insurance Agents, which has completed 56 hours of the N.A.I.A. educational program, is starting a 20-hour course on public liability and workmen's compensation insurance. A class of 20 is expected for the new course.

Peru, Ind., Agents Elect

PERU, IND.—The Peru Association of Insurance Agents has elected these officers: J. O. Wells, president; Herbert L. Howard, vice-president; Gilbert N. Summers, secretary-treasurer.

New Lima-Allen County Officers

R. Ray Schryer has been elected president of the Lima and Allen County (O.) Association of Insurance Agents. Harry Eaton was named vice-president and S. G. Folsom secretary-treasurer.

NEWS BRIEFS

L. V. Weisensel, La Crosse, Wis., local agent, has been elected commander of Wingers Post 52, American Legion.

Ellsworth Smith, Detroit local agent and attorney for 30 years, is a candidate for probate judge at the November election.

About 100 employees, firm members and company representatives attended the fall party of the K. C. Jones Club, employees organization of the K. C. Fire & Marine and R. B. Jones & Sons, Inc.

The Wichita Association of Insurance Women held a Halloween party Oct. 25 in lieu of its monthly dinner meeting.

Winston C. Leavitt, St. Paul-Mercure Indemnity, will speak to the St. Paul Association of Insurance Women on the new residence burglary policy at its meeting Nov. 2.

At the October dinner meeting of the Association of Insurance Women of Kansas City, S. D. Miller, secretary of the local Y.M.C.A. talked on "Prisoners of War." A Halloween party will be held Oct. 30.

The Hutchinson (Kan.) Association of Insurance Women was entertained by a "magic" show given by George Landers, Northwestern F. & M. state agent. A discussion of the new Kansas dwelling and extended coverage forms and rule book revisions was given by L. T. Stubbs, superintendent of agencies of Central States Fire, Wichita.

SOUTH

Stricter Tennessee License Provisions

NASHVILLE — Tennessee local agents, who have sought for years to obtain a more stringent licensing law through legislation, have gained at least a partial victory, under a new regulation (No. 18) issued by Insurance Commissioner McCormack.

"Unfit, incompetent, and untrustworthy agents must be eliminated from the profession and only those possessing a knowledge of the customs and usages of the trade, and a reasonable degree of skill in underwriting, must be permitted to engage in the vocation of insurance agency," the commissioner stated. Requiring a "thorough investigation" to determine the trustworthiness of an applicant for license, the new order includes the following requirements for "competency":

"Having a reasonable knowledge of the customs and usages of the insurance trade, therefore being capable of render-

ing the usual services required of the insurance agents. No particular method of training required, but it must be shown to the satisfaction of the commissioner that a reasonable degree of ability and skill has been attained.

"Being in a position to render necessary services to policyholders during usual business hours of the day.

"Not having business affiliations with policyholders, direct or indirect interest in the property or risk insured, or other relationship which would place the applicant in the inconsistent position of acting for and representing two or more principals whose interests are conflicting."

Renewal licenses will be issued as a matter of course to those previously licensed for at least a year.

Schuh Returns from Army

Ed Schuh, formerly with Cravens, Dargan & Co. in Houston and manager of the service office in Dallas before entering the army, has returned to civilian life. He now represents the firm in Mexico City.

Form New S. C. Insurer

Blue Ridge Insurance Co. has been organized at Spartanburg, S. C. The authorized capital is \$300,000 consisting of 30,000 shares of \$10 par. It starts out with 350,000 capital and \$5,000 net surplus. Fred W. Blanton of Shelby, N. C.,

is president; Dr. W. F. Straight of Rock Hill, S. C., and F. H. Sikes of Shelby, vice-presidents; J. V. Ezell, secretary, and E. C. Sparrow, treasurer.

Mr. Blanton and Mr. Sikes are of the Fred W. Blanton agency of Shelby.

Cawthon in East Tennessee

R. T. Cawthon, secretary-manager of the Tennessee Association of Insurance Agents, is in Chattanooga and east Tennessee this week in the interest of the association.

Jackson Exchange Elects

JACKSON, TENN.—Merrill S. Wise has been elected president of the Jackson Insurance Exchange, succeeding Earl Seaton. J. L. Harris was elected vice-president and Miss Sydney Bumpus, secretary-treasurer, a position she has held since Tom Patton, Jr., resigned to enter the navy.

Report on Ala. State Fund

BIRMINGHAM, ALA.—Fire and windstorm damage to Alabama state-owned buildings the past fiscal year totaled \$253,048, as shown in the annual report of the state insurance fund. The greatest loss was to county high and elementary school buildings.

The fund, which was created with an appropriation of \$100,000 in 1923, increased its surplus \$100,175 during the year to \$771,860.

PACIFIC COAST AND MOUNTAIN

Arizona Agents in Annual Session

The Arizona Association of Insurance Agents is holding its annual meeting at Tucson, Thursday of this week. During the morning there is a closed meeting for member agents at which time President R. N. Martin, Jr., Secretary W. E. Davidson and National Director V. M. Haldiman are reporting. Irving A. Jennings is conducting a discussion of the legislative program and officers are being elected.

The Tucson Association of Insurance Agents is host at luncheon. At the open meeting in the afternoon there is a discussion of automobile financing led by J. M. Sakrison, Southern Arizona Bank & Trust Co., Tucson; the national legislative situation, Mr. Jennings; post-war rural fire protection, Richard Simis, Phoenix, and a discussion of the automobile safety program.

The Arizona Field Men's Club is host at a cocktail party.

Seek Compensation Rate Clarification, Broader Limits for County Mutuals

SAN FRANCISCO—In addition to the numerous legislative proposals presented by J. R. Maloney, deputy insurance commissioner, at the first pre-legislative conference, the California department will sponsor one which will provide for clarification of the workmen's compensation rate approval section of the code and require that compensation dividends be based on a formula "not unfair, unjust or inequitable."

So far 37 proposals have been submitted, including 15 of the insurance department. Ten of these deal with county fire mutuals including a proposal to permit removal of assessment liability if surplus exceeds \$250,000 and to permit limitation of assessment liability from one to three times stated premium based upon surplus limits under \$250,000. Another measure would extend territorial limits to counties contiguous to counties adjoining the county of organization; another would amend or repeal the restriction limiting coverage of farm or country property to 75% of value without additional insurance; while another would permit re-insurance of risks outside California.

Anti-Coercion Proposals

One proposal which has come from a number of groups of organized agents in the state calls for anti-coercion legislation. Two proposals have been made by the Insurance Brokers Exchange of San Francisco, one calling for extension of educational requirements for agents' licenses and the other rendering limited partnerships ineligible for producers' licenses. The National Board has proposed a measure calling for adoption in California of the New York standard fire policy.

The second pre-legislative conference will be held here on October 27.

LEGISLATIVE HEARINGS HELD

FRESNO, CAL.—The committee named by Governor Warren to study insurance legislative suggestions held a meeting here with Insurance Commissioner Garrison, the chairman, presiding.

A similar session was held in Los Angeles at which representatives of the Society of Insurance Brokers of Southern California and the Insurance Association of Los Angeles and others presented proposals. Los Angeles brokers stress the need for bettering conditions in the business.

Rocky Mountain Group Meets

The supervising committee of the Rocky Mountain Fire Underwriters Association held its annual meeting in

Denver last week, devoting its attention to routine business matters.

London Assurance Names

Landresse Branch Secretary

SAN FRANCISCO — Charles G. Landresse has been appointed branch secretary of London Assurance in San Francisco. He has been with the company since 1915, joining the organization under the management of the late A. W. Thornton. He has served in various capacities in the fire insurance department and for several years has been manager of the automobile and inland marine departments. He will continue to supervise that unit while assuming larger duties, assisting Manager J. C. Hitt in administrative duties and in business development. He is a boatswain, second class, in the coast guard temporary reserve and is the skipper of a 50-foot patrol boat which guards the San Francisco waterfront. He is active in the San Francisco Blue Goose and Insurance Post 404 of the American Legion.

California Federation in Drive Against \$60 at 60

SAN FRANCISCO—The California Insurance Federation has joined the California Association of Life Underwriters and the major life companies in the state in the campaign to defeat the "\$60 at 60" constitutional amendment which will appear on the ballot in the Nov. 7 election. At a meeting called by the federation, Herrick Brown, Oakland, president of the California Association of Life Underwriters, explained the economic aspects of the measure and Frank J. Agnew, National Board public relations consultant, urged the need for immediate action. A special committee was named by the federation to push the campaign which is now underway. The proposed pensions would be financed by a 3% gross income tax which would cost the insurance companies \$28,677,940 a year, based on 1943 premium income.

Panel Participants at Cal. Convention Announced

President Ralph E. Bach has announced the names of those who will participate in the "It Pays to Be Insurance-Wise" program for agency production, office management and sales efficiency at the annual meeting of the California Association of Insurance Agents in Los Angeles, Oct. 31, with Robert J. White of Los Angeles as chairman. Those who will take part in the panel discussion are: Douglas Freeman, Wren & Van Allen; Muriel B. Clark, local agent; R. S. Robertson, Seeley & Co.; Kenneth LaMarinel, Swett & Crawford; A. W. Gilbert, Pacific Board; E. F. Neumann, American Auto; Otto Kloppenburg, Hartford Accident; Claude Slater, Hartford Steam Boiler; Don Ladd, Fidelity & Deposit; Vincent M. Haldinger, Newhouse & Sayre; Frank Tidwell, F. E. Tidwell & Co., adjusters, and Wyckoff Westover, administrative assistant of the California department.

William H. Menn, president of the Los Angeles Insurance Association, will give greetings from his organization at the opening session.

Robert E. Masterson, president Casualty & Surety Fieldmen's Association of Southern California, will speak on "Are You Preparing for Tomorrow?" and Commissioner Garrison on "Federal Regulation or ?"

Pension, Unemployment Acts Opposed in Washington

SEATTLE — Washington insurance men are joining with civic and other

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business leaders in a last ditch fight to defeat initiatives 157 and 158, which will be on the ballot at the Nov. 7 election. Initiative 157, an expansion of the old age pension program to include liberal unemployment provisions, will increase the annual cost from \$26,165,000 to an estimated \$110,000,000, it is estimated. Initiative 158 declares full support of the people of the state for the Wagner-Murray-Dingell bill in Congress.

Initiative 158 provides pensions of \$60 per month at the age of 60, financed by a 3% tax on every business transaction.

Pinney Made Oakland Manager

SAN FRANCISCO—Milton E. Pinney, veteran special agent of America Fore at Oakland, Cal., has been appointed manager of a newly created Oakland metropolitan department. He was special agent of Niagara for many years before it entered the America Fore group. With the consolidation of management, he was put in charge of the Oakland district for all the companies. He has served in all capacities in the San Francisco Blue Goose. He is now an ensign in the voluntary port security force of the Coast Guard.

Washington Committees Named

Committee appointments have been completed by President V. R. Lee of the Washington Association of Insurance Agents. Governing committee includes V. R. Lee, Chehalis; W. H. Harmer, W. H. Scott, A. W. White, Seattle; James M. Blair, Puyallup; H. E. Carr, Bellingham, and H. D. Lasell, Aberdeen.

Chairmen of other committees are: Legislative, E. R. Bowden, Seattle; educational, Aubrey Fisher, Aberdeen; membership, H. E. Carr, Bellingham, and G. A. Jones, Walla Walla, co-chairmen; rural agents, D. C. Price, Montesano; fire prevention, Ann Haynes, Montesano; financed accounts, A. W. White, Seattle; fire contact, Charles P. Carroll, Spokane.

Ore. Groups to Confer Nov. 16

The Oregon Association of Insurance Agents contact committee will go to San Francisco for a session with the Oregon Conference Committee Nov. 16. Claude Nasburg, Marshfield, heads the agents' committee, which includes Fred E. Jewett, Harry Hollister, Fred C. Reed, Portland; and President V. J. Robinson, Medford. Representing the field men will be J. D. Hurley, Edward Brown & Sons, C. F. Wagner, manager of the Oregon rating bureau, will also participate.

Honor Seattle Fire Chief

Seattle fire insurance men have been invited to participate in the Nov. 10 luncheon meeting of the Seattle Chamber of Commerce, at which Fire Chief William Fitzgerald will receive a citation from the city's business leaders for his "enviable record of fire prevention and control."

Loman to Visit San Francisco

Harry J. Loman, dean of the Institute for Property & Liability Underwriters, will be in San Francisco Oct. 27 and will be guest of honor at a banquet of the Golden Gate College insurance school for the faculty and 44 students who recently completed the special course in general insurance.

Call Ore. Executive Committee

A meeting of the executive committee of the Oregon Association of Insurance Agents has been called by President V. J. Robinson for Nov. 9 at Portland. Fred E. Jewett, chairman of the committee, will preside. Fred C. Reed, state national director, will report on the Milwaukee convention of the N.A.I.A.

Roger Hill Joins Father

Roger B. Hill has joined his father, John J. Hill, Los Angeles independent adjuster, and the firm name has been changed to John J. Hill & Son. He

has just returned from active duty in the navy. Formerly he was in the claim department of Aetna Casualty and Royal-Liverpool in Los Angeles.

White to Address Forum

The Fire Underwriters Forum of San Francisco will hear a discussion on handling fire insurance losses Oct. 27 by Frank White, head of the fire loss department of Fireman's Fund.

NEWS BRIEFS

Walter J. Kroder has been appointed chairman in charge of the new study course on insurance being sponsored by the Portland Association of Insurance Agents beginning early in November.

E. B. Kelly has opened an independent adjusting office in San Bernardino, Cal.

Mrs. Hannah Proudfoot led a discussion on the new farm schedule before the Insurance Women of Pueblo, Col.

EAST

Sales of Wind Cover Take Big Spurt in East

HARTFORD — Insurance agencies report that interest in windstorm insurance became intense with news that another hurricane was heading up the Atlantic coast, although eventually the storm petered out before reaching this vicinity.

Underwriters reported that since shortly before the arrival here of the September hurricane, interest in this type of coverage has been maintained at an abnormally high level, and the public has been unusually sensitive to the hoisting of storm warnings. Inquiries have been reaching a peak at such times.

Most local banks, it was learned, are now requiring their mortgagees to obtain windstorm insurance on their properties, and others are at least recommending such coverage.

One large agency, bemoaning the fact that the cost of putting such insurance on the books is sometimes greater than the commissions involved, reported that it had had more than 200 inquiries in this regard in the month since the September storm, while another agency said that "people are now buying such insurance as fast as they can."

'Quake Sales at Massena, N. Y.

At Massena, N. Y., a lot of earthquake insurance is being sold following the tremor about six weeks ago. At that time damage of approximately \$1 million was done to the plant there of the Aluminum Company of America, 1,200 panes of glass were broken in the high school building, the front of the city hall had to be rebuilt, and 1,000 chimneys were damaged or destroyed.

D. C. Insurers to Hear West

WASHINGTON—Opening its public relations program, the Insurers Association of the District of Columbia will hear Oscar West, Washington representative of the National Association of Insurance Agents, talk on "The Washington Scene—and the Local Agent," at the monthly luncheon at the Mayflower Hotel, Oct. 31.

Philip J. Steptoe, senior partner in the law firm of Steptoe & Johnson, Clarksburg, and Charleston, W. Va., died. Steptoe & Johnson are attorneys for the National Board and the Association of Casualty & Surety Executives and for many insurance companies.

The Syracuse (N. Y.) Insurance Women's Association heard a talk by Miss Gertrude Bryce, associate professor of applied arts, Syracuse University, on "Pearl Harbor." A rummage sale was held Oct. 21.

CANADIAN

Little Chance of Profit on Canadian Fire Business

TORONTO — Indications are that 1944 fire losses in Canada will be from 10 to 20% higher than they were a year ago. Losses in 1943 approximated \$31,500,000, and it is likely that the 1944 total will run to at least \$35,000,000 or \$36,000,000. This, of course, would be exclusive of fires in military premises, etc. Some executives say that even if their companies should have no additional fire losses between now and the end of the year, they would still show an operating loss on fire business for 1944.

Premium income for 1944 will show a gain over 1943, with estimates ranging from "quite moderate" to "substantial," but not enough to counterbalance the heavy losses.

One of the chief reasons for a gain in premiums is that the current year has seen the renewal of three-year mercantile risks which first came into force in 1941. However, fire rates were reduced in 1942 and will be reflected in the renewals this year, thus tending to put a check on net premium increases in relation to 1941.

There has been some discussion of rate increases, but there is a question as to whether non-association companies would fall in line.

Another situation that is being watched closely is the growing movement for self-insurance funds. A number of municipalities are considering self-insurance plans and there is some feeling that any increase in rates might give added impetus to the movement.

Raps Mutuals' Tax Exemption

MONTREAL — Canada is losing "well over \$100,000,000 a year" through discriminatory tax exemptions which favor cooperatives, mutuals and government business enterprises, which private enterprise has to meet its tax obligations, G. S. Thorvaldson, Winnipeg, president of the Income Tax Payers Association, told the Insurance Institute here.

He said the mutual fire companies have annual income of about \$11,000,000, compared with premium income of some \$73,000,000 for stock companies "and yet on the mutual business of \$11,000,000 not one cent is paid in income tax to assist in the war effort or other state functions of this country."

He quoted from official reports which showed that in 1940, stock companies in Canada had an underwriting profit of \$5,422,400, on which income and excess profits taxes of \$2,272,168 were paid. The mutual fire companies had an underwriting profit of \$1,250,008 but paid nothing in these taxes.

"Here is a case," he said, "where one form of business enterprise pays 40% of its net profit in income taxes, whereas its competitors, doing exactly the same type of business in exactly the same way, pay no income taxes whatsoever."

MARINE

WSA Pays Seakay Loss

Payment of \$2,776,803 to the Keystone Tankship Corporation, Philadelphia, for the loss of its tanker Seakay of 11,335 gross tons, while in war service has been approved by the War Shipping Administration.

Carrying a full cargo of vapor oil and military supplies, the Seakay was set afire in mid-Atlantic several months ago when a torpedo crashed into her hull.

Only one man out of 80 merchant seamen and navy gunners was lost.

The Seakay was built in 1939 at the Chester, Pa., yard of the Sun Shipbuilding & Dry Dock Co.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, Oct. 23, 1944.

	Par.	Div.	Bid	Asked
Aetna Cas.	10	5.00*	133	137
Aetna Fire	10	1.80*	62	64
Aetna Life	10	1.40*	38	40
Agricultural	25	3.25*	70	72
Amer. Alliance ..	10	1.05*	22 1/2	24
Amer. Cas.	10	.60	11 1/2	12 1/2
Amer. Equitable ..	5	1.00	17 1/2	18 1/2
Amer. Home	10	...	10 1/2	12
Amer. (N. J.) ...	2.50	.60*	14 1/2	15 1/2
Amer. Surety	25	2.50	58 1/2	60
Balt. Amer.	2.50	.30*	6 1/4	6 1/2
Boston	100	21.00	610	625
Camden Fire	5	1.00	21	22 1/2
Contl. Cas.	5	1.60*	43	45
Contl., N. Y.	2.50	2.00*	48	50
Fidelity-Phen.	2.50	2.20*	52	53
Fire Assn.	10	2.50*	61	63
Firemen's (N.J.) ..	5	.40	12 1/2	13 1/2
Fireman's Fund ..	10	3.00	90	92
Franklin Fire	5	1.00	23 1/2	25
Glens Falls	5	1.85*	44	46
Globe & Repub.	5	.50	8 1/2	9 1/2
Gt. Amer. Fire	5	1.20*	28	29 1/2
Hanover Fire	10	1.20	26	27 1/2
Hartford Fire	10	2.50*	100	103
Home (N. Y.) ...	5	1.20	28	29 1/2
Ins. Co. of N. A. ..	10	3.00*	90	92
Maryland Cas.	1	...	8 1/2	9 1/2
Mass. Bonding	12.50	3.50	70	73
Natl. Cas.	10	1.25*	28 1/2	29 1/2
Natl. Fire	10	2.00	61	63
Natl. Liberty	2	.30*	6 1/4	6 1/2
Natl. Un. Fire	20	5.00*	169	174
New Amst. Cas.	2	1.00	26	27
New Hamp.	10	1.80*	45	47
North River	2.50	1.00	22	23 1/2
Ohio Cas.	5	.80	24	26
Phoenix, Conn.	10	3.00*	85	88
Preferred Accl.	5	1.00*	12	13 1/2
Prov. Wash.	10	1.40*	35	37
St. Paul F. & M.	12.50	2.00*	69	71
Security, Conn.	10	1.40	34 1/2	36
Sprgfd. F. & M.	25	4.75*	121	125
Standard Accl.	10	1.45	34	36
Travelers	100	16.00	530	540
U. S. F. & G.	10	1.50*	37	38 1/2

Commissioner Erickson of North Dakota underwent an emergency operation at a hospital in Bismarck for removal of a ruptured appendix and gall bladder.

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Big Crowd Attends Ohio Convention

(CONTINUED FROM PAGE 16)

resolution. Ohio agents originally suggested the committee, and want to see it succeed.

The presence of Fred A. Moreton, Salt Lake City, past president of the National association, was regarded as a fine gesture on the part of both Mr. Moreton and the N.A.I.A. He spoke at the Monday luncheon and made a very good impression, and on Tuesday he installed the new officers. With Mrs. Moreton he made the trip from Salt Lake City specially for this meeting.

L. U. Jefferies, warden of the Ohio insurance department, and Dr. A. G. Caris, assistant superintendent, answered questions of agents Monday afternoon.

At a closed session, where Gustav May, president of the Cincinnati Fire Underwriters Association, presided, association members heard Theodore M. Gray, executive secretary, discuss association activities.

State Senator Walcutt of Columbus in a talk emphasized the importance of business, professional and other groups knowing the men in the legislature. Such groups can be helpful to legislators, he said, by careful preparation of legislation. They should know the bill, the reasons for it and its effect, and they should be willing to approach legislators in a spirit of fairness, with the idea of assisting them to form proper conclusions.

State Representative Schwall commented that legislators are eager for accurate information from all interested persons on the probable effects of proposed legislation.

Darrell S. Jones, Newark, O., local agent and retiring chairman of the Democratic state executive committee was unable to make his scheduled appearance on the program.

Elwell Is Banquet Speaker

At the banquet E. W. Elwell, U. S. manager of Royal Exchange, gave a thoughtful discussion of how to maintain peace in Europe. His talk was well received.

Karl D. Dakin, Lebanon, was presented the Cleveland Board award for outstanding service in the past year. Henry Frankel, president of the board, presented the trophy to Mr. Dakin for his membership and general association activities. The past presidents were among those who sat at the head table. J. F. Van Vechten of Toledo, retiring president, introduced a number of distinguished guests.

A "be kind to special agents and include the managers week" would not be a bad idea, O. W. Lorenz, Maryland Casualty manager, Cleveland, said in discussing field man-agent relations. Mr. Lorenz, president of the Ohio Casualty & Surety Managers Association, opened the Tuesday program.

Agent, Field Man's Job

The agent should take on the type of companies that will help him give the best service, Mr. Lorenz suggested. He should see that the public gets a full dollar's worth for a dollar. He should accept new ideas and use his imagination. The business has the finest tools it has ever worked with, he declared, and it is the field man's job to see that the agent is fully acquainted with them and uses them. The fundamental problems of the business are common to field man and agent, he said.

Problems involving agents and field men should be frankly discussed. Mr. Gray said. Mr. Lorenz was asked why field men can't give agents advance no-

tice of visits so the latter can plan their schedules. Mr. Lorenz said he thought more and more special agents are doing this.

Eugene S. Davis of Cleveland, who presided at this session, suggested agents might, because of the hotel room shortage, set aside a guest room for special agents.

Annual Business Session

At the annual business session Harry T. Minister of Columbus reported that finances have improved in five years from a deficit to a \$9,000 bank balance.

Secretary Gray in his report cited the activities of his office. He said that operation of the new administrative code has placed an undue burden on the insurance department, and the association has been represented at the hearings which the code requires in all cases of license denial.

Two things should be kept in mind by agents in connection with a meeting of the state legislature, Paul R. Gingham, association counsel, said. They should remember that in the past things which appeared quite crucial turned out not to be so bad.

Should Take Conservative Stand

Consequently, agents should be conservative in taking and maintaining a position toward legislation, whether they are on the offensive or defensive, he said. Any legislative body gets to the point, he said, where it is not impressed if there are too many legislative demands by any one business.

There is great virtue in wide publicity for the Ohio assigned risk plan, Arthur E. Benson, Ohio Casualty, said. Those who need it should know the plan and understand it, and those who may never have to call upon it should realize that the insurance business is not insensible to its public responsibility for the welfare of the community from which it derives its profit.

Experience Under Plan

He said only 351 policies have been written in the plan, with total premium of \$5,781 and a normal loss ratio. The expense item has more than used up profits. Experience is too meager to reach any general conclusions, he said.

The attitude toward the purposes of personal injury and property damage insurance has changed, he said. The public now views such policies as being primarily for the benefit of the innocent injured rather than as security for those who may be called upon to pay damages. The assigned risk plan is an experience in social service, he said. It is not a source of profit for company or agent. So far it has had little criticism and seems to be accomplishing its fundamental purposes.

Van Vechten Surveys Situation

J. F. Van Vechten of Akron, retiring president, said that in meeting the serious problems that face the industry today, the keystone must be public welfare. He wondered if the business is going to get federal regulation, and said that Attorney General Biddle and Senator O'Mahoney say one thing and do another. Those at Washington want to control the insurance business, and it is being used as a guinea pig, he declared. He criticized the lethargy being displayed by some in the business in view of the danger involved.

He said that agency qualification laws will go out the window with federal regulation, and there will not be any counter-signature laws.

He recommended to the incoming administration the appointment of a strong committee on the subject of automobile financed accounts so that Ohio agents will be ready to meet the competition of national finance companies.

Harry T. Minister, the new president, attended Ohio State University, and be-

gan his business career with the Ohio Inspection Bureau in 1914. Two years later he left to go with the McElroy Co., Columbus, as a solicitor. He has been with the McElroy Co. since, with the exception of 22 months spent in the army during the former world war. He served as lieutenant of field artillery attached to the air corps as an artillery observer. He became a member of the firm of the McElroy Co. and in 1942, the name became McElroy-Minister agencies.

Mr. Minister is the third president of the Ohio association furnished by the McElroy-Minister agency of Columbus. The late F. C. McElroy served early in the century, and his son, Austin, in a recent year.

M. H. Trepkow, vice-president of Western Surety, Chicago, was a visitor.

Norman B. Berry of Aetna Fire and members of the Ohio field staff were hosts to agents.

Asks Commerce Case in Cal. Be Carefully Presented

LOS ANGELES—Attorney Reuel L. Olson gave the members of the Life Insurance Managers Association his reasons "Why I Believe That It Is Imperative That the Life Insurance Business Should Assist the California Attorney General's Department in Its Battle on Behalf of the California Insurance Commissioner and California Statutes Regulating the Insurance Business."

Mr. Olson outlined his contention that the majority opinion in the S. E. U. A. case is entirely consistent with the continued regulation and taxation of insurance by the states. He alluded to the case brought against Commissioner Garrison of California by the First National Benefit Society of Phoenix, Ariz. The society, he said, has seized upon the decision as a method of avoiding state regulation by California.

"It is up to us who have the interests of state regulation and taxation of life insurance at heart," he said "to get into action and demonstrate in the federal district court in Los Angeles Nov. 6 that state regulatory and tax laws on insurance are indeed still in effect notwithstanding the opinion of the Supreme Court."

"We who know life insurance from the point of view of the individual policyholder, the individual underwriter, and the general agent, must see that the lower federal courts into which cases are brought on mistaken theories of law, do not whittle away the rights of the several states to regulate and tax insurance, but properly recognize the self-imposed limits of the Southeastern Underwriters Association decision."

"The mistaken theory on which the complaint in First National Benefit is based," he declared, "is that the Supreme Court went so far as to hold that state statutes relating to the regulation of insurance are invalid. That is not the case. In fact, Chief Justice Stone is not warranted in his dissenting opinion statement to the effect that that decision 'repudiates this long continued and consistent construction of the commerce clause (that insurance is not interstate commerce)'. Neither is there justification for Justice Jackson's statement that 'the court's decision at very least will require an extensive overhauling of state legislation relating to taxation and supervision.'"

In the S. E. U. A. case, for the first time in history the question presented was not the question of the validity of a state statute regulating insurance, but of the possible applicability of a federal statute to the business of insurance.

Mr. Olson then said agency heads should select some one to represent the policyholder, the agent and the general agent when the case of the Phoenix company comes to a hearing Nov. 6, and appear for them. He declared that the decision will make law that will be used in other states. He said it is time to get into action and help protect the insurance business.

Crum & Forster's New Executive Vice-president Came Up the Hard Way

NEW YORK—Henry J. Wyatt, whose advancement from vice-president to executive vice-president of the Crum & Forster companies was reported in last week's issue, has an unusually varied background of experience, having made an outstanding record in loss work, administration and investments, as well as the legal side of insurance. For many years head of the loss department, Mr.



HENRY J. WYATT

Wyatt took the initiative in resisting scorch claims about a decade ago when these losses, individually small, but important in the aggregate, threatened to become a serious problem. More than any other one executive, he got the fire companies to stand on their legal rights and refuse payment of scorch claims.

As an investment officer Mr. Wyatt has held to a conservative course. Most of the Crum & Forster companies have more than enough government bonds and cash to cover all their liabilities. Mr. Wyatt believes that a conservative investment policy, which is being much more generally followed today in the fire insurance business, is something that the companies owe to the public, agents, brokers and stockholders. He finds a closer similarity between fire company portfolios and bank portfolios than in the past.

Mr. Wyatt is a member of the finance committees of all the Crum & Forster companies and is the only executive who is a director of all the companies and all the group's affiliated corporations.

Mr. Wyatt started with Crum & Forster in 1906 as an office boy when he was just out of grade school, yet he managed to acquire his law degree and is a member of the New York bar. The answer is that he did it the hard way, studying nine years in night schools to get his high school, college and law school education, receiving his LL.B. degree from Brooklyn law school at St. Lawrence University. It meant the sacrifice of nearly all his leisure time. Yet he was keenly aware of the great advantage of getting both an academic and a practical education at the same time.

Mr. Wyatt's abilities as an investment man may be inferred from the fact that he is trustee of the estates of F. H. Crum, John Forster, and two other late executives of the organization, D. G. Wakeman and R. O. Haubold. He was named sole executor of the late Sumner Ballard's estate but the pressure of other duties made it impossible for him to serve.

Neb. Compensation Rates Cut

A compensation rate reduction of 14.7% in Nebraska has been announced. It is estimated that this will mean an annual reduction in premium of \$500,000. The greatest reductions are on truckmen and carpenters. Clerical and occupational disease rates are unchanged.

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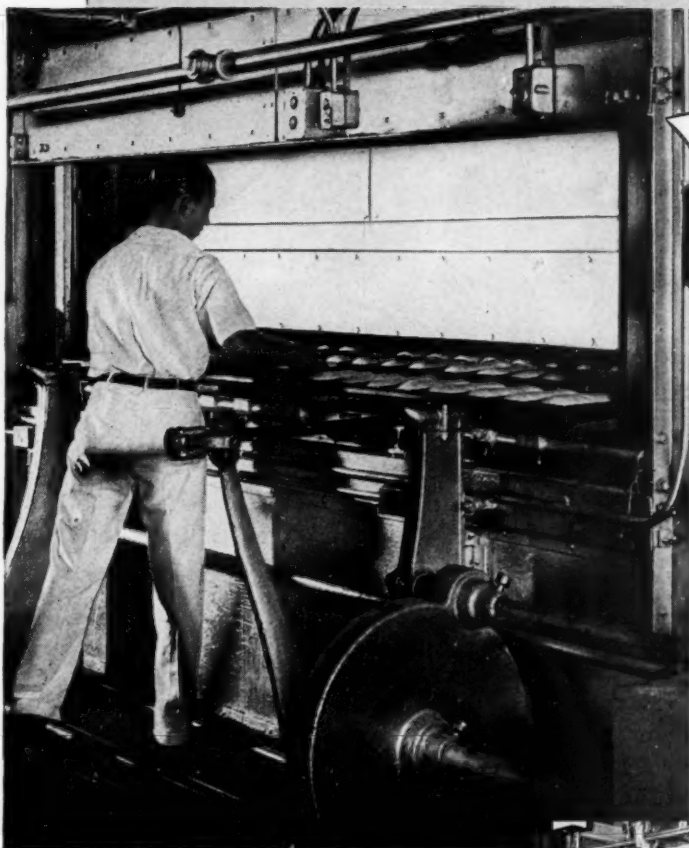
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